# INTRACOM HOLDINGS S.A.

**Interim condensed financial statements**
**in accordance with International Accounting Standard 34**
**for the period 1 January to 30 September 2012**

*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 € 000s)**

# Balance sheet

| | | Group | | Company | |
|---|---|---|---|---|---|
| **ASSETS** | **Note** | **30/09/2012** | **31/12/2011** | **30/09/2012** | **31/12/2011** |
| **Non-current assets** | | | | | |
| Property, plant and equipment | 6 | 319.311 | 345.038 | 21.522 | 22.211 |
| Goodwill | | 68.387 | 68.393 | - | - |
| Intangible assets | 6 | 36.696 | 44.890 | 1 | 3 |
| Investment property | 6 | 54.239 | 54.773 | 66.256 | 66.952 |
| Investments in subsidiaries | | - | - | 263.118 | 263.118 |
| Investments in associates | | 97.549 | 103.871 | 102.900 | 102.900 |
| Available-for-sale financial assets | 8 | 10.724 | 10.838 | 9.624 | 9.621 |
| Deferred income tax assets | | 9.771 | 8.569 | - | - |
| Long-term loans | | 10.385 | 10.026 | 10.385 | 10.026 |
| Trade and other receivables | | 6.006 | 6.510 | 39 | 39 |
| | | **613.070** | **652.908** | **473.845** | **474.870** |
| **Current assets** | | | | | |
| Inventories | | 39.878 | 36.819 | - | - |
| Trade and other receivables | | 272.263 | 268.446 | 11.458 | 11.377 |
| Construction contracts | | 27.979 | 18.313 | - | - |
| Financial assets at fair value through profit or loss | | 221 | 105 | - | - |
| Current income tax assets | | 9.303 | 11.326 | - | - |
| Cash and cash equivalents | | 30.746 | 42.852 | 4.614 | 5.504 |
| | | **380.390** | **377.861** | **16.072** | **16.881** |
| **Total assets** | | **993.460** | **1.030.769** | **489.917** | **491.752** |
| **EQUITY** | | | | | |
| **Capital and reserves attributable to the Company's equity holders** | | | | | |
| Share capital | 9 | 187.567 | 187.567 | 187.567 | 187.567 |
| Share premium | 9 | 194.204 | 194.204 | 194.204 | 194.204 |
| Other reserves | | 186.699 | 186.732 | 147.728 | 147.725 |
| Retained earnings | | (236.384) | (215.157) | (92.912) | (89.447) |
| | | 332.086 | 353.345 | 436.586 | 440.048 |
| **Non-controlling interest** | | 39.646 | 43.954 | - | - |
| **Total equity** | | **371.732** | **397.299** | **436.586** | **440.048** |
| **LIABILITIES** | | | | | |
| **Non-current liabilities** | | | | | |
| Borrowings | 10 | 153.439 | 156.512 | 13.443 | 12.917 |
| Deferred income tax liabilities | | 2.420 | 2.728 | 988 | 1.005 |
| Retirement benefit obligations | | 6.977 | 6.416 | 259 | 262 |
| Grants | | 20.182 | 21.210 | - | - |
| Derivative financial instruments | | 1.801 | 1.668 | - | - |
| Provisions | | 3.174 | 1.429 | - | - |
| Trade and other payables | | 11.825 | 12.970 | - | - |
| | | **199.818** | **202.933** | **14.690** | **14.185** |
| **Current liabilities** | | | | | |
| Trade and other payables | | 245.598 | 236.684 | 9.778 | 9.468 |
| Current income tax liabilities | | 2.638 | 5.667 | - | - |
| Construction contracts | | 3.712 | 2.426 | - | - |
| Borrowings | 10 | 162.297 | 174.216 | 28.695 | 27.883 |
| Grants | | 2.594 | 3.870 | - | - |
| Provisions | | 5.071 | 7.673 | 168 | 168 |
| | | **421.910** | **430.537** | **38.641** | **37.518** |
| **Total liabilities** | | **621.728** | **633.470** | **53.331** | **51.703** |
| **Total equity and liabilities** | | **993.460** | **1.030.769** | **489.917** | **491.752** |

The notes on pages 9 to 26 are an integral part of these interim condensed financial statements.

**(All amounts in € 000s)**

# Statement of comprehensive income – 1/1 - 30/9/2012

| | Note | Group | | Company | |
|---|---|---|---|---|---|
| | | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 |
| Sales | 5 | 394.934 | 386.060 | 1.583 | 1.747 |
| Cost of goods sold | | (329.994) | (341.073) | (1.355) | (1.386) |
| **Gross profit** | | **64.939** | **44.987** | **228** | **361** |
| Other operating income | | 5.943 | 10.528 | 2.401 | 2.518 |
| Other gains / (losses) - net | | (545) | (248) | (1) | - |
| Selling and research costs | | (26.616) | (27.536) | - | (66) |
| Administrative expenses | | (42.119) | (43.371) | (4.437) | (5.511) |
| **Operating profit / (loss)** | | **1.602** | **(15.640)** | **(1.810)** | **(2.698)** |
| Finance expenses | 11 | (23.565) | (23.059) | (2.147) | (1.338) |
| Finance income | 11 | 1.595 | 808 | 535 | 380 |
| **Finance income / (expenses) - net** | | **(21.969)** | **(22.251)** | **(1.613)** | **(958)** |
| Share of losses from associates | | (5.509) | (4.862) | - | - |
| **Loss before income tax** | | **(25.876)** | **(42.752)** | **(3.423)** | **(3.656)** |
| Income tax | 12 | 45 | (2.119) | (43) | 25 |
| **Net loss for the period** | | **(25.830)** | **(44.872)** | **(3.465)** | **(3.631)** |
| | | | | | |
| **Other comprehensive income :** | | | | | |
| Fair value gains / (losses) on available-for-sale financial assets, net of tax | 8 | (114) | (253) | 3 | (2) |
| Currency translation differences, net of tax | | (221) | (397) | - | - |
| Cash flow hedges | | 258 | (218) | - | - |
| **Other comprehensive income for the period, net of tax** | | (77) | (868) | 3 | (2) |
| **Total comprehensive income for the period** | | **(25.907)** | **(45.740)** | **(3.462)** | **(3.634)** |
| | | | | | |
| **Losses attributable to:** | | | | | |
| Equity holders of the Company | | (21.009) | (39.202) | (3.465) | (3.631) |
| Non-controlling interest | | (4.821) | (5.670) | - | - |
| | | **(25.830)** | **(44.872)** | **(3.465)** | **(3.631)** |
| | | | | | |
| **Total comprehensive income attributable to:** | | | | | |
| Equity holders of the Company | | (21.255) | (39.774) | (3.462) | (3.633) |
| Non-controlling interest | | (4.652) | (5.966) | - | - |
| | | **(25.907)** | **(45.740)** | **(3.462)** | **(3.633)** |
| | | | | | |
| **Losses per share attributable to the equity holders of the Company during the period (expressed in € per share)** | | | | | |
| Basic | 13 | (0,16) | (0,29) | (0,03) | (0,03) |
| Diluted | 13 | (0,16) | (0,29) | (0,03) | (0,03) |

The notes on pages 9 to 26 are an integral part of these interim condensed financial statements.

**(All amounts in € 000s)**

# Statement of comprehensive income – 1/7 - 30/9/2012

| | Group | | Company | |
|---|---|---|---|---|
| | **1/7 - 30/9/2012** | **1/7 - 30/9/2011** | **1/7 - 30/9/2012** | **1/7 - 30/9/2011** |
| Sales | 137.044 | 128.594 | 482 | 598 |
| Cost of goods sold | (117.008) | (115.987) | (419) | (429) |
| **Gross profit** | **20.035** | **12.607** | **63** | **169** |
| Other operating income | 1.643 | 4.157 | 886 | 836 |
| Other gains / (losses) - net | (401) | (296) | (1) | - |
| Selling and research costs | (8.292) | (8.513) | - | - |
| Administrative expenses | (12.543) | (14.419) | (1.443) | (1.508) |
| **Operating profit / (loss)** | **441** | **(6.464)** | **(494)** | **(503)** |
| Finance expenses | (7.814) | (7.899) | (742) | (515) |
| Finance income | 92 | 216 | 184 | 145 |
| **Finance income / (expenses) - net** | **(7.722)** | **(7.683)** | **(558)** | **(370)** |
| Share of losses from associates | (3.054) | (291) | - | - |
| **Loss before income tax** | **(10.334)** | **(14.438)** | **(1.053)** | **(874)** |
| Income tax | 366 | (1.895) | (82) | 16 |
| **Net loss for the period** | **(9.968)** | **(16.333)** | **(1.134)** | **(858)** |
| | | | | |
| **Other comprehensive income :** | | | | |
| Fair value gains / (losses) on available-for-sale financial assets, net | (2) | 13 | (2) | (2) |
| Currency translation differences, net of tax | 97 | (562) | - | - |
| Cash flow hedges | 9 | (482) | - | - |
| **Other comprehensive income for the period, net of tax** | **104** | **(1.031)** | **(2)** | **(2)** |
| **Total comprehensive income for the period** | **(9.864)** | **(17.364)** | **(1.136)** | **(860)** |
| | | | | |
| **Losses attributable to:** | | | | |
| Equity holders of the Company | (8.374) | (14.100) | (1.134) | (858) |
| Non-controlling interest | (1.594) | (2.233) | - | - |
| | **(9.968)** | **(16.333)** | **(1.134)** | **(858)** |
| | | | | |
| **Total comprehensive income attributable to:** | | | | |
| Equity holders of the Company | (8.308) | (14.887) | (1.136) | (860) |
| Non-controlling interest | (1.556) | (2.477) | - | - |
| | **(9.864)** | **(17.364)** | **(1.136)** | **(860)** |
| | | | | |
| **Losses per share attributable to the equity holders of the Company during the period (expressed in € per share)** | | | | |
| Basic | (0,06) | (0,11) | (0,01) | (0,01) |
| Diluted | (0,06) | (0,11) | (0,01) | (0,01) |

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**(All amounts in € 000s)**

# Statement of changes in equity – Group

| | | Attributable to equity holders of the company | | | | | |
|---|---|---|---|---|---|---|---|
| | Note | Share capital | Other reserves | Retained earnings | Total | Non controlling interest | Total equity |
| **Balance at 1 January 2011** | | 381.771 | 186.351 | (155.942) | 412.180 | 40.637 | 452.817 |
| Loss for the period | | - | - | (39.202) | (39.202) | (5.670) | (44.872) |
| Fair value losses on available-for-sale financial assets | | - | (159) | - | (159) | (94) | (253) |
| Currency translation differences | | - | (296) | - | (296) | (101) | (397) |
| Cash flow hedging | | - | (116) | - | (116) | (102) | (218) |
| **Total comprehensive income for the period** | | - | (571) | (39.202) | (39.774) | (5.966) | (45.740) |
| Changes in non-controlling interests | | - | 2 | (14) | (12) | (96) | (108) |
| Dividend paid to non-controlling interests | | - | - | - | - | (2) | (2) |
| Disposal of subsidiaries | | - | (10) | 10 | - | (225) | (225) |
| Transfer | | - | 825 | (858) | (33) | 33 | - |
| | | - | 817 | (862) | (45) | (290) | (335) |
| **Balance at 30 September 2011** | | **381.771** | **186.597** | **(196.006)** | **372.362** | **34.380** | **406.742** |
| **Balance at 1 January 2012** | | 381.771 | 186.732 | (215.157) | 353.345 | 43.954 | 397.299 |
| Loss for the period | | - | - | (21.009) | (21.009) | (4.821) | (25.830) |
| Fair value losses on available-for-sale financial assets | 8 | - | (69) | - | (69) | (45) | (114) |
| Currency translation differences | | - | (324) | - | (324) | 104 | (221) |
| Cash flow hedging | | - | 148 | - | 148 | 110 | 258 |
| **Total comprehensive income for the period** | | - | (246) | (21.009) | (21.255) | (4.652) | (25.907) |
| Changes in non-controlling interests | | - | | (2) | (2) | 2 | - |
| Contribution of non-controlling interests in the share capital of subsidiary | 7 | - | - | - | - | 340 | 340 |
| Transfer | | - | 213 | (215) | (2) | 2 | - |
| | | - | 213 | (217) | (4) | 344 | 340 |
| **Balance at 30 September 2012** | | **381.771** | **186.699** | **(236.384)** | **332.086** | **39.646** | **371.732** |

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**(All amounts in € 000s)**

# Statement of changes in equity – Company

| | Note | Share capital | Other reserves | Retained earnings | Total equity |
|---|---|---|---|---|---|
| **Balance at 1 January 2011** | | 381.771 | 147.725 | (70.174) | 459.322 |
| Loss for the period | | - | - | (3.631) | (3.631) |
| Fair value losses on available-for-sale financial assets | | - | (2) | - | (2) |
| **Total comprehensive income for the period** | | - | (2) | (3.631) | (3.633) |
| **Balance at 30 September 2011** | | **381.771** | **147.723** | **(73.805)** | **455.689** |
| | | | | | |
| **Balance at 1 January 2012** | | 381.771 | 147.725 | (89.447) | 440.048 |
| Loss for the period | | - | - | (3.465) | (3.465) |
| Fair value gains on available-for-sale financial assets | 8 | - | 3 | - | 3 |
| **Total comprehensive income for the period** | | - | 3 | (3.465) | (3.462) |
| **Balance at 30 September 2012** | | **381.771** | **147.728** | **(92.912)** | **436.586** |

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**(All amounts in € 000s)**

# Cash flow statement

| | | Group | | Company | |
|---|---|---|---|---|---|
| | Note | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 |
| **Cash flows from operating activities** | | | | | |
| Cash generated from / (used in) operations | 14 | 52.448 | 54.864 | (211) | (2.205) |
| Interest paid | | (20.854) | (21.712) | (1.969) | (1.336) |
| Income tax paid | | (2.345) | (2.804) | (36) | (36) |
| **Net cash generated from / (used in) operating activities** | | **29.249** | **30.348** | **(2.216)** | **(3.577)** |
| **Cash flows from investing activities** | | | | | |
| Purchase of property, plant and equipment (PPE) | | (15.110) | (26.500) | (4) | (41) |
| Purchase of investment property | | - | (15) | - | (5) |
| Purchase of intangible assets | | (12.798) | (15.523) | - | - |
| Proceeds from sale of PPE | | 299 | 726 | - | - |
| 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 | | (110) | - | - | - |
| Acquisition of available-for-sale financial assets | | - | (152) | - | (152) |
| Acquisition of subsidiary, net of cash acquired | | - | 105 | - | - |
| Disposal of subsidiaries | | 80 | 151 | - | - |
| Share capital increase of associates | | (61) | - | - | - |
| Disposal / write-off of associates and joint ventures | | 9 | - | - | - |
| Dividend received | | - | 2 | - | - |
| Interest received | | 1.225 | 445 | 13 | 16 |
| Loans granted | | - | (879) | - | (879) |
| **Net cash from investing activities** | | **(26.465)** | **(39.948)** | **9** | **(1.061)** |
| **Cash flows from financing activities** | | | | | |
| Contribution of non-controlling interests in the share capital of subsidiary | 7 | 340 | - | - | - |
| Dividends to shareholders | | (22) | (19) | (22) | (19) |
| Dividends to non-controlling interests | | - | (2) | - | - |
| Proceeds from borrowings | | 10.585 | 15.112 | 4.000 | 4.000 |
| Repayments of borrowings | | (23.909) | (15.536) | (2.000) | - |
| Grants received | | - | 11.125 | - | - |
| Repayments of finance leases | | (1.884) | (2.817) | (662) | (549) |
| **Net cash from financing activities** | | **(14.890)** | **7.863** | **1.317** | **3.432** |
| **Net decrease in cash and cash equivalents** | | **(12.106)** | **(1.737)** | **(890)** | **(1.206)** |
| Cash and cash equivalents at beginning of period | | 42.852 | 34.994 | 5.504 | 4.048 |
| **Cash and cash equivalents at end of period** | | **30.746** | **33.257** | **4.614** | **2.842** |

The notes on pages 9 to 26 are an integral part of these interim condensed financial statements.

# Notes to the financial statements in accordance with International Financial Reporting Standards

## 1. General information

INTRACOM Holdings S.A., with the distinctive title "INTRACOM HOLDINGS" 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 has also activities in the construction sector and the telecommunications sector. The parent company operates as a holding company.

The Group operates in Greece, Luxemburg, 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.com***.

These interim condensed financial statements of the Group and the Company have been approved for issue by the Board of Directors on 29 November 2012.

## 2. Basis of preparation and accounting policies

These interim condensed 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 period 1/1 – 30/9/2012. They have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

These interim condensed financial statements must be examined together with the annual financial statements for the year 2011, as published on the Group's website ***www.intracom.com***.

The accounting policies used for the preparation and the presentation of the interim condensed financial statements are consistent with those applied for the preparation and presentation of the annual financial statements of the Company and the Group for the financial year ended 31 December 2011. These interim condensed financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets at fair value through profit or loss and derivative financial instruments, which are carried at fair value.

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** (effective for annual periods beginning on or after 1 July 2011)

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. The amendment will be applied in the annual financial statements.

**IAS 12 (Amendment) "Income Taxes"** (effective for annual periods beginning on or after 1 January 2012)

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 has not yet been endorsed by the EU, and therefore has not been applied by the Group.

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.

**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. This standard has not yet been endorsed by the EU.

**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. This interpretation has not yet been endorsed by the EU.

**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.

**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. This amendment has not yet been endorsed by the EU.

**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. This amendment has not yet been endorsed by the EU.

**Group of standards on consolidation and joint arrangements** (effective for annual periods beginning on or after 1 January 2013)

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 2013. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. 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.

**IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance"**

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.

**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 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.

**(All amounts in € 000s)**

**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".

## Roundings

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

## 3. Financial risk management

There have been not any material changes in the financial risk management of the Group or any material changes in fair value measurement since 31 December 2011.

## 4. Critical accounting estimates and judgements

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. Actual results may differ from these estimates.

In preparing these interim condensed financial statements, the accounting estimates and judgments made by management were consistent to those applied to the annual financial statements of the Company and the Group for the year ended 31 December 2011.

## 5. Segment information

At 30 September 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 period 1/1 – 30/9/2012 is as follows:

| | Telecommunications systems | Technology solutions for government and banking sector | Defence systems | Construction | Telecommunication services | Other | Total |
|---|---|---|---|---|---|---|---|
| Total sales | 2.937 | 93.864 | 38.728 | 83.163 | 178.088 | 2.919 | 399.699 |
| Inter-segment sales | - | (381) | (0) | (2.170) | (162) | (2.052) | (4.765) |
| **Sales from external customers** | **2.937** | **93.483** | **38.727** | **80.993** | **177.925** | **867** | **394.934** |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) | 440 | 4.041 | 702 | 3.700 | 49.468 | (449) | 57.902 |

**(All amounts in € 000s)**

The segment information for the period 1/1 – 30/9/2011 is as follows:

| | Telecommunications systems | Technology solutions for government and banking sector | Defence systems | Construction | Telecommunication services | Other | Total |
|---|---|---|---|---|---|---|---|
| Total sales | 3.361 | 94.965 | 32.803 | 95.707 | 166.010 | 1.774 | 394.620 |
| Inter-segment sales | - | (2.762) | (7) | (4.160) | (230) | (1.401) | (8.560) |
| **Sales from external customers** | **3.361** | **92.202** | **32.796** | **91.547** | **165.780** | **373** | **386.060** |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) | 217 | (9.930) | (696) | 7.790 | 48.378 | (2.602) | 43.157 |

The activities of the parent company Intracom Holdings SA are included under the column “Other”.

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

| | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 |
|---|---|---|
| **Earnings before interest, tax, depreciation and amortisation (EBITDA)** | 57.902 | 43.157 |
| Depreciation | (56.300) | (58.797) |
| Finance cost - net | (21.969) | (22.251) |
| Losses from associates | (5.509) | (4.862) |
| **Loss before income tax** | **(25.876)** | **(42.753)** |

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

(All amounts in € 000s)

## 6. Capital expenditure

### Group

| | Fixed assets | Intangible assets | Investment properties | Total |
|---|---|---|---|---|
| **Net book amount at 1 January 2011** | 362.394 | 56.604 | 68.368 | 487.367 |
| Additions | 15.985 | 15.523 | 15 | 31.523 |
| Disposals / Write-offs | (1.070) | - | (1.413) | (2.484) |
| Depreciation charge | (34.422) | (24.003) | (373) | (58.797) |
| Impairment | - | (1.156) | (250) | (1.406) |
| Transfer | 7.955 | - | (7.955) | - |
| Other movement | (75) | 2 | (77) | (150) |
| **Net book amount at 30 September 2011** | **350.767** | **46.969** | **58.316** | **456.053** |

| | Fixed assets | Intangible assets | Investment properties | Total |
|---|---|---|---|---|
| **Net book amount at 1 January 2012** | 345.038 | 44.890 | 54.773 | 444.701 |
| Additions | 9.484 | 12.798 | - | 22.282 |
| Disposals | (263) | (1) | - | (264) |
| Depreciation charge | (34.969) | (20.989) | (342) | (56.300) |
| Transfer | 44 | - | (44) | - |
| Other movement | (23) | (2) | (148) | (173) |
| **Net book amount at 30 September 2012** | **319.311** | **36.696** | **54.239** | **410.246** |

### Company

| | Fixed assets | Intangible assets | Investment properties | Total |
|---|---|---|---|---|
| **Net book amount at 1 January 2011** | 25.425 | 7 | 65.768 | 91.200 |
| Additions | 41 | - | 5 | 46 |
| Disposals / Write-offs | (226) | - | - | (226) |
| Depreciation charge | (698) | (3) | (691) | (1.392) |
| Transfer | (1.691) | - | 1.691 | - |
| **Net book amount at 30 September 2011** | **22.852** | **4** | **66.773** | **89.628** |

| | Fixed assets | Intangible assets | Investment properties | Total |
|---|---|---|---|---|
| **Net book amount at 1 January 2012** | 22.211 | 3 | 66.952 | 89.166 |
| Additions | 4 | - | - | 4 |
| Disposals | (2) | - | - | (2) |
| Depreciation charge | (691) | (2) | (695) | (1.388) |
| **Net book amount at 30 September 2012** | **21.522** | **1** | **66.256** | **87.780** |

**(All amounts in € 000s)**

During the third quarter of the current period, the Company entered into a sale and leaseback agreement of a property with net book value as at 30/9/2012 amounting to €4.388, which is included in investment properties. The leaseback transaction is treated as finance lease with a 12 year duration (see note 10).

## 7. Investments in subsidiaries

**Period 1/1 – 30/9/2012**

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 4 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 €340.

## 8. Available-for-sale financial assets

| | Group | | Company | |
|---|---|---|---|---|
| | **30/09/2012** | **31/12/2011** | **30/09/2012** | **31/12/2011** |
| **Balance at the beginning of the period** | 10.838 | 11.191 | 9.621 | 9.470 |
| Additions | - | 152 | - | 152 |
| Fair value gains/(losses) | (114) | (218) | 3 | (1) |
| Impairment | - | (287) | - | - |
| **Balance at the end of the period** | **10.724** | **10.838** | **9.624** | **9.621** |

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 as at 30 September 2012.

## 9. Share capital

| | Number of shares | Share capital | Share premium | Total |
|---|---|---|---|---|
| **Balance at 1 January 2011** | 133.025.996 | 187.567 | 194.204 | 381.771 |
| **Balance at 31 December 2011** | **133.025.996** | **187.567** | **194.204** | **381.771** |
| **Balance at 1 January 2012** | 133.025.996 | 187.567 | 194.204 | 381.771 |
| **Balance at 30 September 2012** | **133.025.996** | **187.567** | **194.204** | **381.771** |

On 31 December 2011 and on 30 September 2012 the Company's share capital amounts to €187.567 divided into 133.025.996 shares with a nominal value of €1,41 each.

**(All amounts in € 000s)**

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.

## 10. Borrowings

| | Group | | Company | |
|---|---|---|---|---|
| | **30/09/2012** | **31/12/2011** | **30/09/2012** | **31/12/2011** |
| Bank loans | 147.220 | 154.855 | 18.196 | 20.196 |
| Finance lease liabilities | 15.822 | 13.855 | 13.942 | 10.604 |
| Bond loans | 142.694 | 152.018 | - | - |
| Other loans | 10.000 | 10.000 | 10.000 | 10.000 |
| **Total borrowings** | **315.736** | **330.728** | **42.138** | **40.800** |
| Long-term borrowings | 153.439 | 156.512 | 13.443 | 12.917 |
| Short-term borrowings | 162.297 | 174.216 | 28.695 | 27.883 |
| | **315.736** | **330.728** | **42.138** | **40.800** |

On 27 July 2012 the amount of €4.097 has been reclassified from short-term to long-term borrowings in the Company and the Group according to a loan agreement amendment.

During the third quarter of the current period, the Company entered into a sale and leaseback agreement of a property. The leaseback transaction is treated as finance lease with a 12 year duration. The Company has received €4.000 from that transaction, which is shown under "Proceeds from borrowings" in the cash flow statement.

## 11. Finance (expenses) / income - net

| | Group | | Company | |
|---|---|---|---|---|
| | **1/1 - 30/09/2012** | **1/1 - 30/09/2011** | **1/1 - 30/09/2012** | **1/1 - 30/09/2011** |
| **Finance expenses** | | | | |
| - Bank borrowings | (8.602) | (8.481) | (1.079) | (908) |
| - Bond loans | (7.244) | (7.432) | - | - |
| - Other loans | (548) | - | (548) | - |
| - Finance leases | (672) | (658) | (520) | (430) |
| - Letters of credit and related costs | (2.359) | (1.809) | - | - |
| - Other | (3.351) | (4.518) | - | - |
| - Net foreign exchange gains / (losses) | (398) | (162) | - | - |
| **Total** | (23.174) | (23.059) | (2.147) | (1.338) |
| - Interest rate swaps: cash flow hedges, transfer from equity | (391) | - | - | - |
| **Total finance expense** | **(23.565)** | **(23.059)** | **(2.147)** | **(1.338)** |
| **Finance income** | | | | |
| - Interest income | 1.201 | 424 | 13 | 16 |
| - Interest income from loans | 350 | 364 | 350 | 364 |
| - Other | 44 | 21 | 171 | - |
| **Total finance income** | 1.595 | 808 | 535 | 380 |
| **Finance (expense)/income - net** | **(21.969)** | **(22.251)** | **(1.613)** | **(958)** |

(All amounts in € 000s)

## 12. Income tax

| | Group | | Company | |
|---|---|---|---|---|
| | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 |
| Current tax | 1.465 | 1.346 | 60 | - |
| Deferred tax | (1.510) | 774 | (17) | (25) |
| **Total** | **(45)** | **2.119** | **43** | **(25)** |

As at 30/9/2012 the Group has recognised deferred tax assets of €9.771 (31/12/11: €8.569). The Group expects that within the next years, future taxable profits will be available against which the temporary differences that give rise to the deferred tax asset can be utilised.

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 Company has not been audited by the tax authorities for the financial year 2010, while the financial years for which its subsidiaries have not been audited are presented in note 19.

## 13. Earnings / (losses) per share

## Basic / diluted earnings / (losses) per share

| | Group | | Company | |
|---|---|---|---|---|
| | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 |
| Losses attributable to equity holders of the Company | (21.009) | (39.202) | (3.465) | (3.630) |
| Weighted average number of ordinary shares in issue (thousands) | 133.026 | 133.026 | 133.026 | 133.026 |
| **Basic/Diluted earnings/(losses) per share (€ per share)** | **(0,16)** | **(0,29)** | **(0,03)** | **(0,03)** |

**(All amounts in € 000s)**

## 14. Cash generated from operations

| | Group | | Company | |
|---|---|---|---|---|
| | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 | 1/1 - 30/09/2012 | 1/1 - 30/09/2011 |
| **Loss for the year** | (25.830) | (44.872) | (3.465) | (3.631) |
| Adjustments for: | | | | |
| Income tax | (45) | 2.119 | 43 | (25) |
| Depreciation of PPE | 34.969 | 34.422 | 691 | 698 |
| Amortisation of intangible assets | 20.989 | 24.003 | 2 | 3 |
| Depreciation of investment property | 342 | 373 | 695 | 691 |
| Impairment of investment property | - | 250 | - | - |
| Impairment of intangible assets | - | 1.156 | - | - |
| (Profit)/Loss on disposal of PPE | (37) | 333 | 1 | 226 |
| Fair value gains/(losses) on financial assets at fair value through profit or loss | (6) | 65 | - | - |
| Profit on disposal of investment property | - | (278) | - | - |
| Impairment of available-for-sale financial assets | - | 287 | - | - |
| Loss on disposal of subsidiary | - | 20 | - | - |
| Finance income | (1.595) | (808) | (535) | (380) |
| Finance expense | 23.565 | 23.059 | 2.147 | 1.338 |
| Dividend income | - | (2) | - | - |
| Amortisation of grants received | (2.329) | (5.719) | - | - |
| Share of losses from associates | 5.853 | 4.862 | - | - |
| Foreign exchange losses/(gains) | (1.476) | (1.667) | - | - |
| Negative goodwill from acquisition of subsidiaries | - | (185) | - | - |
| | **54.399** | **37.418** | **(420)** | **(1.080)** |
| **Changes in working capital** | | | | |
| (Increase)/ decrease in inventories | (3.059) | 7.020 | - | - |
| (Increase)/ decrease in trade and other receivables | (13.005) | 41.831 | (26) | (1.294) |
| Increase/ (decrease) in trade and other payables | 14.409 | (33.349) | 238 | 792 |
| Increase/ (decrease) in provision | (857) | 1.603 | - | (500) |
| Increase/ (decrease) in retirement benefit obligations | 561 | 341 | (3) | (123) |
| | **(1.951)** | **17.446** | **209** | **(1.125)** |
| **Cash generated from / (used in) operations** | **52.448** | **54.864** | **(211)** | **(2.205)** |

## 15. Capital commitments

As at the balance sheet date there were capital commitments for property, plant and equipment of €5.000 for the Group (2011: €4.350).

## 16. 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:

**(All amounts in € 000s)**

| | Group | | Company | |
|---|---|---|---|---|
| | **30/09/2012** | **31/12/2011** | **30/09/2012** | **31/12/2011** |
| Guarantees for advance payments | 26.660 | 29.081 | 22.068 | 25.380 |
| Guarantees for good performance | 163.043 | 145.668 | 139.800 | 134.359 |
| Guarantees for participation in contests | 21.922 | 22.214 | 16.975 | 20.224 |
| Other | 15.990 | 22.776 | 10.065 | 6.003 |
| | **227.614** | **219.740** | **188.908** | **185.965** |

The Company has given guarantees to banks for subsidiaries' loans amounting to €308.068.

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 Hellas Online Group is in dispute, which is under examination by EETT (Hellenic Telecommunications and Post Commission), with OTE SA regarding certain charges of the latter which are claimed to be unlawful. In relation to this case, the company disputed charges of €2.825 as at 30 September 2012, for which a provision of an equal amount has been recorded.

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

**(All amounts in € 000s)**

## 17. Related party transactions

The following transactions are carried out with related parties:

| | Group | | Company | |
|---|---|---|---|---|
| | **1/1 - 30/09/2012** | **1/1 - 30/09/2011** | **1/1 - 30/09/2012** | **1/1 - 30/09/2011** |
| **Sales of goods / services:** | | | | |
| To subsidiaries | - | - | 1.591 | 1.418 |
| To associates | 978 | 4.872 | 23 | 71 |
| To other related parties | 1.183 | 1.422 | - | 3 |
| | **2.161** | **6.294** | **1.613** | **1.492** |
| **Purchases of goods / services:** | | | | |
| From subsidiaries | - | - | 219 | 285 |
| From associates | 7.687 | 7.418 | - | - |
| From other related parties | 116 | 172 | - | - |
| | **7.802** | **7.590** | **219** | **285** |
| **Rental income:** | | | | |
| From subsidiaries | - | - | 1.816 | 1.582 |
| From associates | 63 | 323 | - | 2 |
| From other related parties | 208 | 201 | 99 | 99 |
| | **271** | **524** | **1.914** | **1.683** |
| **Purchases of fixed assets:** | | | | |
| From subsidiaries | - | - | - | 45 |
| From associates | 4.600 | 6.676 | - | - |
| | **4.600** | **6.676** | **-** | **45** |

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 € 000s)**

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

| | **Group** | | **Company** | |
|---|---|---|---|---|
| | **30/09/2012** | **31/12/2011** | **30/09/2012** | **31/12/2011** |
| **Receivables from related parties:** | | | | |
| From subsidiaries | - | - | 4.333 | 3.608 |
| From associates | 11.068 | 10.775 | 2.636 | 2.670 |
| From other related parties | 4.196 | 3.823 | 1.253 | 1.154 |
| | **15.264** | **14.598** | **8.222** | **7.432** |
| **Payables to related parties:** | | | | |
| To subsidiaries | - | - | 1.157 | 1.189 |
| To associates | 55.833 | 57.263 | 2.637 | 4.757 |
| To other related parties | 1.043 | 917 | 131 | 157 |
| | **56.876** | **58.180** | **3.925** | **6.103** |

**Key Management compensations**

For the nine months ended 30 September 2012 a total of €755 and €1.907 was paid by the Company and the Group respectively as Directors' remunerations, key Management and other related party compensations (1/1 – 30/9/2011: €968 and €1.228 respectively). As at 30 September 2012 and 31 December 2011 there were not any receivables or payables from / to Directors with regards to the Company. As at 30 September 2012 the Group has outstanding receivables from Directors amounting to €90 (2011: €233) and outstanding payables to Directors amounting to €75 (2011: €0).

## 18. Post balance sheet events

No significant events occurred after the balance sheet date.

**(All amounts in € 000s)**

## 19. Subsidiaries

The companies and joint ventures included in the consolidated financial statements and the related direct percentage interests held as at 30 September 2012 are as follows.

| | 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% (see 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 | 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** | United Kingdom | 100,00% | Full | From establishment - 2011 |
| | - Intrasoft International USA Inc** | USA | 100,00% | Full | - |

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

**(All amounts in € 000s)**

| 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 | 59,89% | Full | 2010-2011 |
| - J/V AKTOR ATE - LOBBE TZILALIS - EUROKAT ATE (Ily Administration | 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 |
| 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 € 000s)**

| 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 - 2011 |
| - Intracom Doo Skopje | FYROM | 100,00% | Full | 2010 |
| - Intralban Sha | Albania | 95,00% | Full | 2005-2011 |
| - Intrarom S.A. | Romania | 66,70% | Full | 2008-2011 |
| - Sitronics Intracom India PL | India | 100,00% | Full | 2010-2011 |
| - Intracom Telecom Holdings International Ltd | Cyprus | 100,00% | Full | 2008-2011 |
| - Intracom Middle East L.L.C. | UAE | 100,00% | Full | No income tax applicable |
| - Connklin Corporation | USA | 100,00% | Full | 2001-2011 |
| - Intracom Telecom solutions S.R.L. | Moldava | 100,00% | Full | No income tax applicable |
| - Intracom doo Belgrade | Serbia | 100,00% | Full | From establishment - 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 | 2010-2011 |
| - Intracom Telecom Operations Ltd. | Cyprus | 100,00% | Full | 2010-2011 |
| - Intracom Telecom Solutions Saudi Arabia | Saudi Arabia | 95,00% | Full | No income tax applicable |

* Direct shareholding

(**) These companies have been included in the Group for the first time in the current period ending 30 September 2012 but were not included in the corresponding period of 2011.

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

**Peania, 29 November 2012**

| THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS & DEPUTY MANAGING DIRECTOR | THE MEMBER OF THE BOARD OF DIRECTORS |
|---|---|
| **D. C. KLONIS**<br>ID No. AK 121708/07.10.2011 | **G. A. ANNINOS**<br>ID No. AE 550167/17.04.2007 |

**THE CHIEF ACCOUNTANT**

**J. K. TSOUMAS**
ID No AZ 505361/10.12.2007
License No 637