INTRACOM HOLDINGS S.A.

Interim condensed financial statements
in accordance with International Accounting Standard 34
for the period 1 January to 30 September 2014

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.

Contents **Page**

(All amounts in €'000)

Balance sheet

		Group		Company	
ASSETS	**Note**	**30/09/2014**	**31/12/2013**	**30/09/2014**	**31/12/2013**
Non-current assets					
Property, plant and equipment	6	118.190	272.528	12.091	12.737
Goodwill		29.160	68.387	-	-
Intangible assets	6	5.338	31.939	3	1
Investment property	6	47.353	47.759	57.798	58.461
Investments in subsidiaries	7	-	-	140.550	219.702
Investments in associates		481	57.873	-	46.908
Available - for - sale financial assets	8	11.651	16.398	9.877	10.901
Deferred income tax assets		6.418	15.370	-	-
Long-term loans		10.944	10.748	10.944	10.748
Trade and other receivables		1.050	10.056	39	39
		230.584	**531.059**	**231.301**	**359.496**
Current assets					
Inventories		42.772	48.624	-	-
Trade and other receivables		199.067	239.117	12.891	8.971
Construction contracts		36.376	20.882	-	-
Financial assets at fair value through profit or loss		227	223	-	-
Current income tax assets		7.941	4.998	-	-
Cash and cash equivalents		33.530	76.263	1.321	1.748
		319.914	**390.108**	**14.212**	**10.719**
Non-current assets classified as held for sale	18	351.591	-	110.145	-
		671.504	**390.108**	**124.357**	**10.719**
Total assets		**902.088**	**921.167**	**355.659**	**370.215**
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
Reserves		183.373	183.898	147.090	147.362
Retained earnings		(336.487)	(322.045)	(232.454)	(216.021)
		228.657	243.623	296.407	313.112
Non-controlling interest		26.069	28.547	-	-
Total equity		**254.726**	**272.170**	**296.407**	**313.112**
LIABILITIES					
Non-current liabilities					
Borrowings	10	49.925	44.492	14.005	15.750
Deferred income tax liabilities		1.139	2.382	1.163	1.124
Retirement benefit obligations		5.569	6.882	312	312
Grants		63	18.589	-	-
Provisions		1.206	1.365	-	-
Trade and other payables		699	18.460	-	-
		58.601	**92.170**	**15.480**	**17.186**
Current liabilities					
Trade and other payables		178.569	259.507	21.386	11.703
Current income tax liabilities		2.928	2.292	-	-
Construction contracts		1.745	1.843	-	-
Borrowings	10	112.814	285.952	19.663	28.046
Derivative financial instruments		-	653	-	-
Grants		-	1.692	-	-
Provisions		5.605	4.887	2.723	168
		301.660	**556.826**	**43.772**	**39.917**
Liabilities of disposal group classified as held for sale	18	287.101	-	-	-
		588.761	**556.826**	**43.772**	**39.917**
Total liabilities		**647.363**	**648.996**	**59.251**	**57.103**
Total equity and liabilities		**902.088**	**921.167**	**355.659**	**370.215**

The notes on pages 9 to 31 are an integral part of these interim condensed financial statements.

(All amounts in €'000)

Statement of comprehensive income – 1/1 - 30/9/2014

		Group		Company	
	Note	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Sales	5	248.726	212.738	2.327	1.755
Cost of goods sold		(209.873)	(181.489)	(2.047)	(1.513)
Gross profit		**38.853**	**31.249**	**280**	**243**
Other operating income		3.187	3.208	2.067	2.211
Other gains / (losses) - net		(481)	(1.423)	(382)	(365)
Selling and research costs		(13.276)	(12.995)	-	-
Administrative expenses		(27.102)	(21.487)	(6.453)	(3.850)
Operating profit / (loss)		**1.181**	**(1.448)**	**(4.489)**	**(1.762)**
Finance expenses	11	(11.353)	(10.580)	(2.052)	(1.996)
Finance income	11	2.391	912	400	351
Finance income / (expenses) - net		**(8.962)**	**(9.668)**	**(1.652)**	**(1.646)**
Share of losses from associates		(95)	(37)	-	-
Loss before income tax		**(7.876)**	**(11.153)**	**(6.141)**	**(3.408)**
Income tax	12	(2.677)	(574)	(38)	36
Net loss for the period from continuing operations		**(10.553)**	**(11.726)**	**(6.179)**	**(3.372)**
Net loss for the period from discontinued operations	18	(4.879)	(2.241)	(10.254)	-
Net loss for the period from continuing and discontinued operations		**(15.432)**	**(13.967)**	**(16.433)**	**(3.372)**
Other comprehensive income :					
Items that may be reclassified subsequently to profit or loss					
Fair value losses on available-for-sale financial assets, net of tax	8	(3.424)	(771)	(608)	(173)
Transfer of available-for-sale reserve to profit or loss due to disposal	8	1.194	-	336	-
Currency translation differences, net of tax		468	(540)	-	-
Cash flow hedges	18	-	292	-	-
Other comprehensive income for the period, net of tax		(1.762)	(1.019)	(272)	(173)
Total comprehensive income for the period		**(17.194)**	**(14.986)**	**(16.705)**	**(3.545)**
Losses attributable to:					
Equity holders of the Company					
From continuing operations		(9.180)	(9.856)	(6.179)	(3.372)
From discontinued operations		(5.645)	(3.283)	(10.254)	-
		(14.825)	(13.139)	(16.433)	(3.372)
Non-controlling interest					
From continuing operations		(1.373)	(1.870)	-	-
From discontinued operations		766	1.042	-	-
		(607)	(828)	-	-
		(15.432)	**(13.967)**	**(16.433)**	**(3.372)**
Total comprehensive income attributable to:					
Equity holders of the Company					
From continuing operations		(10.259)	(10.860)	(6.451)	(3.545)
From discontinued operations		(5.645)	(3.116)	(10.254)	-
		(15.904)	(13.976)	(16.705)	(3.545)
Non-controlling interest					
From continuing operations		(2.056)	(2.176)	-	-
From discontinued operations		766	1.166	-	-
		(1.290)	(1.010)	-	-
		(17.194)	**(14.986)**	**(16.705)**	**(3.545)**
Losses per share from continuing and discontinued operations attributable to the equity holders of the Company during the period (expressed in € per share)					
Basic and diluted					
From continuing operations	13	(0,07)	(0,07)	(0,04)	(0,03)
From discontinued operations	13	(0,04)	(0,03)	(0,08)	-
	13	(0,11)	(0,10)	(0,12)	(0,03)

The notes on pages 9 to 31 are an integral part of these interim condensed financial statements.

(All amounts in €'000)

Statement of comprehensive income – 1/7 - 30/9/2014

	Group		Company	
	1/7 - 30/9/2014	**1/7 - 30/9/2013**	**1/7 - 30/9/2014**	**1/7 - 30/9/2013**
Sales	81.120	76.636	816	588
Cost of goods sold	(68.690)	(66.656)	(713)	(496)
Gross profit	**12.431**	**9.979**	**103**	**92**
Other operating income	1.531	744	688	700
Other gains / (losses) - net	(81)	298	(117)	(5)
Selling and research costs	(4.017)	(3.614)	-	-
Administrative expenses	(11.369)	(5.441)	(4.035)	(1.320)
Operating profit / (loss)	**(1.506)**	**1.965**	**(3.361)**	**(533)**
Finance expenses	(3.695)	(3.845)	(648)	(682)
Finance income	473	344	129	112
Finance income / (expenses) - net	**(3.222)**	**(3.501)**	**(519)**	**(570)**
Share of losses from associates	(52)	(20)	-	-
Loss before income tax	**(4.781)**	**(1.556)**	**(3.880)**	**(1.103)**
Income tax	(738)	(772)	29	124
Net loss for the period from continuing operations	**(5.519)**	**(2.328)**	**(3.851)**	**(979)**
Net profit / (loss) for the period from discontinued operations	2.120	(2.390)	(10.254)	-
Net loss for the period from continuing and discontinued operations	**(3.399)**	**(4.719)**	**(14.104)**	**(979)**
Other comprehensive income :				
Items that may be reclassified subsequently to profit or loss				
Fair value losses on available-for-sale financial assets, net of tax	(1.045)	(615)	(177)	(171)
Currency translation differences, net of tax	453	22	-	-
Cash flow hedges	-	63	-	-
Other comprehensive income for the period, net of tax	**(592)**	**(530)**	**(177)**	**(171)**
Total comprehensive income for the period	**(3.991)**	**(5.249)**	**(14.282)**	**(1.150)**
Losses attributable to:				
Equity holders of the Company				
From continuing operations	(5.214)	(1.947)	(3.851)	(979)
From discontinued operations	1.213	(2.730)	(10.254)	-
	(4.001)	(4.677)	(14.104)	(979)
Non-controlling interest				
From continuing operations	(305)	(381)	-	-
From discontinued operations	906	340	-	-
	602	(42)	-	-
	(3.399)	**(4.719)**	**(14.104)**	**(979)**
Total comprehensive income attributable to:				
Equity holders of the Company				
From continuing operations	(5.518)	(2.400)	(4.028)	(1.150)
From discontinued operations	1.213	(2.694)	(10.254)	-
	(4.305)	(5.094)	(14.282)	(1.150)
Non-controlling interest				
From continuing operations	(593)	(522)	-	-
From discontinued operations	906	367	-	-
	313	(155)	-	-
	(3.991)	**(5.249)**	**(14.282)**	**(1.150)**
Losses per share from continuing and discontinued operations attributable to the equity holders of the Company during the period (expressed in € per share)				
Basic and diluted				
From continuing operations	(0,04)	(0,01)	(0,03)	(0,01)
From discontinued operations	0,01	(0,03)	(0,08)	-
	(0,03)	(0,04)	(0,11)	(0,01)

The notes on pages 9 to 31 are an integral part of these interim condensed financial statements.

(All amounts in €'000)

Statement of changes in equity – Group

		Attributable to equity holders of the Company				Non controlling interest	Total equity
	Note	**Share capital**	**Other reserves**	**Retained earnings**	**Total**		
Balance at 1 January 2013		381.771	186.936	(258.734)	309.973	37.537	347.509
Loss for the period		-	-	(13.139)	(13.139)	(829)	(13.968)
Fair value losses on available-for-sale financial assets		-	(542)	-	(542)	(229)	(771)
Currency translation differences		-	(461)	-	(461)	(78)	(540)
Cash flow hedging		-	167	-	167	125	292
Total comprehensive income for the period		-	(837)	(13.139)	(13.976)	(1.011)	(14.986)
Liquidation of subsidiary		-	3	-	3	2	5
Increase in subsidiaries' share capital		-	-	(257)	(257)	238	(19)
Disposal of subsidiaries		-	-	-	-	82	82
Transfer		-	260	(260)	-	-	-
		-	263	(517)	(254)	322	67
Balance at 30 September 2013		**381.771**	**186.362**	**(272.389)**	**295.743**	**36.847**	**332.590**
Balance at 1 January 2014		381.771	183.898	(322.045)	243.623	28.547	272.170
Loss for the period		-	-	(14.825)	(14.825)	(607)	(15.432)
Fair value losses on available-for-sale financial assets	8	-	(2.347)	-	(2.347)	(1.077)	(3.424)
Transfer of available-for-sale reserve to profit or loss due to disposal	8	-	866	-	866	328	1.194
Currency translation differences		-	402	-	402	66	468
Total comprehensive income for the period		-	(1.079)	(14.825)	(15.904)	(1.290)	(17.194)
Changes in ownership interests in subsidiaries and joint ventures		-	511	410	920	(1.171)	(250)
Transfer		-	43	(26)	17	(17)	-
		-	554	384	938	(1.188)	(250)
Balance at 30 September 2014		**381.771**	**183.373**	**(336.487)**	**228.657**	**26.069**	**254.726**

The notes on pages 9 to 31 are an integral part of these interim condensed financial statements.

(All amounts in €'000)

Statement of changes in equity – Company

	Note	Share capital	Other reserves	Retained earnings	Total equity
Balance at 1 January 2013		381.771	147.727	(107.410)	422.089
Loss for the period		-	-	(3.372)	(3.372)
Fair value losses on available-for-sale financial assets		-	(173)	-	(173)
Total comprehensive income for the period		-	(173)	(3.372)	(3.545)
Balance at 30 September 2013		**381.771**	**147.555**	**(110.781)**	**418.544**
Balance at 1 January 2014		381.771	147.362	(216.021)	313.112
Loss for the period		-	-	(16.433)	(16.433)
Fair value losses on available-for-sale financial assets	8	-	(608)	-	(608)
Transfer of available-for-sale reserve to profit or loss due to disposal	8	-	336	-	336
Total comprehensive income for the period		-	(272)	(16.433)	(16.705)
Balance at 30 September 2014		**381.771**	**147.090**	**(232.454)**	**296.407**

The notes on pages 9 to 31 are an integral part of these interim condensed financial statements.

(All amounts in €'000)

Cash flow statement

		Group		Company	
	Note	1/1 - 30/09/2014	1/1 - 30/09/2013	1/1 - 30/09/2014	1/1 - 30/09/2013
Cash flows from operating activities					
Cash generated from / (used in) operations	14	34.005	57.319	5.824	(2.124)
Interest paid		(20.593)	(15.932)	(2.289)	(1.361)
Income tax paid		(5.360)	(156)	(35)	(59)
Net cash generated from / (used in) operating activities		**8.052**	**41.231**	**3.499**	**(3.544)**
Cash flows from investing activities					
Purchase of property, plant and equipment (PPE)		(24.732)	(21.605)	(144)	(47)
Purchase of investment property		(8)	(101)	(36)	(128)
Purchase of intangible assets		(14.375)	(13.831)	(3)	-
Proceeds from sale of PPE		309	2.946	3	-
Proceeds from sale of intangible assets		-	13	-	-
Purchase of available-for-sale financial assets		(2.979)	(7.304)	(2.979)	(1.499)
Proceeds from disposal of available-for-sale financial assets		4.405	-	3.507	-
Increase of investments in subsidiaries / increase of subsidiaries' share capital		-	-	(599)	(70)
Disposal of subsidiaries / decrease in subsidiary's share capital	7	-	91	6.418	-
Formation of associate		(40)	-	-	-
Disposals / write-offs of associates and joint ventures		-	183	-	-
Interest received		2.058	642	35	18
Net cash from / (used in) investing activities		**(35.362)**	**(38.968)**	**6.202**	**(1.726)**
Cash flows from financing activities					
Subsidiary's share capital increase expenses		-	(26)	-	-
Changes in ownership interests in subsidiaries		(250)	-	-	-
Proceeds from borrowings		13.584	25.622		3.500
Repayments of borrowings		(15.165)	(18.687)	(9.255)	(550)
Repayments of finance leases		(933)	(2.198)	(874)	(860)
Net cash from / (used in) financing activities		**(2.765)**	**4.711**	**(10.129)**	**2.090**
Net increase / (decrease) in cash and cash equivalents		**(30.075)**	**6.974**	**(427)**	**(3.180)**
Cash and cash equivalents at beginning of period		76.263	53.253	1.748	4.588
Cash and cash equivalents at end of period		**46.188**	**60.227**	**1.321**	**1.408**
Cash and cash equivalents included in the assets of the disposal group	18	12.658	-	-	-
Cash and cash equivalents per the balance sheet		33.530	60.227	1.321	1.408
Cash and cash equivalents at end of period		**46.188**	**60.227**	**1.321**	**1.408**

The notes on pages 9 to 31 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 telecommunications segment is presented under discontinued operations of the Group (see note 18). 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 27 November 2014.

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 – 30/9/2014. 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 2013, 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 2013, except for changes due to the adoption of new or amended standards as described below. 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

IAS 32 (Amendment) “Financial Instruments: Presentation”

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. The amendment had no impact on the Group’s financial statements.

Group of standards on consolidation and joint arrangements

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). The impact of the new standards on the Group’s financial statements in set out below. 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. The standard had no impact on the Group’s financial statements.

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.

Due to the adoption of IFRS 11 from 1 January 2014, the Group assessed its investments in joint arrangements for the execution of projects in which it participates through its subsidiary Intrakat SA and which were proportionately consolidated until 31 December 2013. This assessment indicated that these joint arrangements should be classified as “joint operations” in accordance with IFRS 11, due to the fact that their legal form confer upon the members direct rights to assets and obligations for liabilities. As a result, these joint arrangements will be incorporated in the Group’s consolidated financial statements (as well as in the separate financial statements of the subsidiary Intrakat SA) according to its share in assets, liabilities, income and expenses. The adoption of the new standard had no impact on the Group’s financial statements.

The parent Company has only indirect interest in these joint operations.

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. The Group will make appropriate disclosures in its annual financial statements.

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. The standard had no impact on the Group's 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. The standard had no impact on the Group's financial statements.

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.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 Hedge Accounting establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. 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 yet been endorsed by the EU.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2017)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard has not yet been endorsed by the EU.

IFRIC 21 "Levies" (effective for annual periods beginning on or after 17 June 2014)

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date.

IAS 19R (Amendment) “Employee Benefits” (effective for annual periods beginning on or after 1 July 2014)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. These amendments have not yet been endorsed by the EU.

IFRS 11 (Amendment) “Joint Arrangements” (effective for annual periods beginning on or after 1 January 2016)

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a ‘business’. This amendment has not yet been endorsed by the EU.

IAS 27 (Amendment) “Separate financial statements” (effective for annual periods beginning on or after 1 January 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the EU.

IFRS 10 and IAS 28 (Amendments) “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” (effective for annual periods beginning on or after 1 January 2016)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB’s 2010-12 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 2 “Share-based payment”

The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.

IFRS 3 “Business combinations”

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 “Financial instruments: Presentation”. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 “Operating segments”

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 July 2014)

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The improvements have not yet been endorsed by the EU.

IFRS 3 "Business combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 "Fair value measurement"

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 "Investment property"

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016)

The amendments set out below describe the key changes to four IFRSs. The improvements have not yet been endorsed by the EU.

IFRS 5 "Non-current assets held for sale and discontinued operations"

The amendment clarifies that, when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 "Financial instruments: Disclosures"

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, 'Disclosure – Offsetting financial assets and financial liabilities' is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 "Employee benefits"

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 "Interim financial reporting"

The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

Roundings

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

3. Financial risk management

Financial risk factors

There have been not any material changes in the financial risk management of the Group since 31 December 2013.

Fair value estimation

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

- 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 either directly or indirectly on observable market data at the balance sheet date ('Level 2').
- The fair value 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 ('Level 3').

On 30 September 2014 the Group had:

- Financial assets at fair value through profit or loss of €227 which are classified in Level 1.
- Derivative financial instruments of €300 which are classified in Level 2 and are included in liabilities of the disposal group held for sale.
- Available-for-sale financial assets out of which €1.472 are classified in Level 1.
- Available-for-sale financial assets of €10.179 which relate to unquoted equity and other securities for which the fair value cannot be estimated reliably and as a result these are presented at cost less impairment.

(All amounts in €'000)

On 31 December 2013 the Group had:

- Financial assets at fair value through profit or loss of €223 which are classified in Level 1.
- Derivative financial instruments of €653 which are classified in Level 2.
- Available-for-sale financial assets out of which €6.214 are classified in Level 1.
- Available-for-sale financial assets of €10.184 which relate to unquoted equity and other securities for which the fair value cannot be estimated reliably and as a result these are presented at cost less impairment.

There were not any transfers between level 1 and 2 during the period.

There were no changes in valuation techniques since 31 December 2013.

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 2013.

5. Segment information

At 30 September 2014, the Group is organised into three main segments:

(1) Technology solutions for government and banking sector
(2) Defence systems
(3) Construction

Until 30 June 2014, the Group was reporting additional information for the segment of telecommunication services, relating to the operation of the subsidiary Hellas online. During the current period the subsidiary's operation was classified as discontinued operation and as a result it is not included in segment information (see note 18).

The segment information for the period 1/1 – 30/9/2014 is as follows:

	Technology solutions for government and banking sector	**Defense systems**	**Construction**	**Other**	**Total**
Total sales	101.611	43.072	106.222	2.327	253.232
Inter-segment sales	(943)	(0)	(1.752)	(1.812)	(4.507)
Sales from external customers	**100.669**	**43.072**	**104.470**	**515**	**248.726**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	3.712	3.652	3.730	(3.741)	7.353

(All amounts in €'000)

The segment information for the period 1/1 – 30/9/2013 is as follows:

	Technology solutions for government and banking sector	Defense systems	Construction	Other	Total
Total sales	98.895	36.393	78.337	2.602	216.227
Inter-segment sales	(295)	(5)	(1.231)	(1.957)	(3.488)
Sales from external customers	**98.600**	**36.388**	**77.105**	**645**	**212.738**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	2.263	2.445	1.141	(384)	5.466

The segment information for the period 1/1 – 30/9/2013 has been adjusted in accordance with the change in presentation as described in the annual financial statements of 31/12/2013.

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 from continuing operations is as follows:

	1/1 - 30/09/2014	1/1 - 30/09/2013
Earnings before interest, tax, depreciation and amortisation (EBITDA)	7.353	5.466
Depreciation	(6.173)	(6.913)
Finance cost - net	(8.962)	(9.668)
Losses from associates	(95)	(37)
Loss before income tax from continuing operations	**(7.876)**	**(11.153)**

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 €'000)

6. Capital expenditure

Group

	Fixed assets	Intangible assets	Investment properties	Total
Net book amount at 1 January 2013	306.000	36.374	53.715	396.089
Additions	14.190	13.831	101	28.123
Disposals / Write-offs	(2.558)	(13)	-	(2.570)
Depreciation charge	(29.695)	(18.084)	(483)	(48.261)
Transfer	(395)	99	296	-
Other movement	(33)	5	(67)	(95)
Net book amount at 30 September 2013	**287.510**	**32.213**	**53.562**	**373.285**

	Fixed assets	Intangible assets	Investment properties	Total
Net book amount at 1 January 2014	272.528	31.938	47.759	352.226
Additions	20.361	14.222	8	34.590
Disposals	(285)	-	(150)	(436)
Depreciation charge	(20.901)	(15.676)	(503)	(37.079)
Transfer	18	-	(18)	-
Transfer to disposal group classified as held for sale (note 18)	(153.547)	(25.284)	-	(178.831)
Other movement	16	136	258	410
Net book amount at 30 September 2014	**118.190**	**5.338**	**47.353**	**170.881**

Company

	Fixed assets	Intangible assets	Investment properties	Total
Net book amount at 1 January 2013	15.892	1	66.207	82.101
Additions	47	-	128	175
Depreciation charge	(492)	-	(847)	(1.339)
Net book amount at 30 September 2013	**15.448**	**1**	**65.488**	**80.937**

	Fixed assets	Intangible assets	Investment properties	Total
Net book amount at 1 January 2014	12.737	1	58.461	71.199
Additions	144	3	36	183
Disposals / Write-offs	-	-	(150)	(150)
Depreciation charge	(481)	(1)	(858)	(1.340)
Transfer	(309)	-	309	-
Net book amount at 30 September 2014	**12.091**	**3**	**57.798**	**69.892**

7. Investments in subsidiaries

Company

In April 2014, the share capital of the subsidiary company Intracom S.A Defence Electronic Systems was decreased by offsetting losses and return of share capital. The return of share capital amounted to €9.935, out of which €6.418 was received while €3.517 is included in the Company's receivables from related parties.

In July 2014, the Company acquired 3.621.739 preference shares of the subsidiary Hellas online from the subsidiary Intrakat SA for the total consideration of €4.274, which increased the cost of investments in subsidiaries. Out of this amount, €400 was paid while the amount of €815 was offset against receivables from Intrakat SA. The remaining amount of €3.059 is included in the Company's receivables.

In the third quarter of 2014, the Company recognised an impairment loss of €10.254 relating to its investment in the subsidiary company Hellas online, which is recognised under "Net loss for the period from discontinued operations" in the Company's statement of comprehensive income. Following the impairment, the investment in the subsidiary was decreased to €63.237 and transferred to "Assets held for sale" (note 18).

Group

In the first quarter of 2014, the subsidiary company Intrakat SA formed certain new companies, namely "Intrablue Hotel and Tourist Enterprises", "Anaptyxiaki Kykladon SA" and "Intrakyklades Estate Development" in which Intrakat SA participates by 100% aiming to expand the Group's operations into the development of vacation residencies and investment in tourism. In June 2014, 50% of Intrablue Hotel and Tourist Enterprises total shares were sold to non-controlling interest. The formation of these companies had no significant impact on the Group.

In the second quarter of 2014 the subsidiaries Intrakat SA and Intrasoft International SA formed the company Advanced Transport Telematics SA. The indirect interest held by the Group in the subsidiary is 80,88%. The formation of this company had no significant impact on the Group.

In April 2014 the subsidiary company Intrakat SA acquired 12,5% interest in its subsidiary Intrapower SA Energy Projects, previously held by non-controlling interest, for total consideration of €200 resulting in 100% shareholding. There was no significant impact on the Group.

In June 2014 the subsidiary company Intrakat SA acquired 45% interest in the subsidiary Fracasso Hellas SA Design & construction of road safety systems, previously held by non-controlling interest, for total consideration of €60 resulting in 100% shareholding. There was no significant impact on the Group.

In August 2014 the subsidiary company Intrakat SA, acquired a 35,27% stake in the share capital of its subsidiary Prisma-Domi ATE, previously held by non-controlling interest, for total consideration of €1.349 resulting in 100% shareholding. The Board of Directors of Intrakat SA decided the merger by absorption of the 100% subsidiary Prisma-Domi ATE. No significant impact in the financial position of the Group is expected as a result of this merger.

(All amounts in €'000)

8. Available-for-sale financial assets

	Group		Company	
	30/09/2014	**31/12/2013**	**30/09/2014**	**31/12/2013**
Balance at the beginning of the period	16.398	10.560	10.901	9.624
Additions	2.979	7.370	2.979	1.565
Disposals	(4.303)	-	(3.394)	-
Fair value losses	(3.424)	(1.440)	(608)	(277)
Impairment	-	(91)	-	(11)
Balance at the end of the period	**11.651**	**16.398**	**9.877**	**10.901**

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 2014.

During the current period the Group and the Company disposed of available for sale financial assets amounting to €4.303 and €3.394 respectively and, as a result, fair value reserve of €1.194 and €336 in the Group and the Company respectively was transferred from other comprehensive income to profit or loss. The total loss recognised in the income statement amounted to €1.092 and €225 for the Group and the Company respectively.

9. Share capital

	Number of shares	**Share capital**	**Share premium**	**Total**
Balance at 1 January 2013	133.025.996	187.567	194.204	381.771
Balance at 31 December 2013	**133.025.996**	**187.567**	**194.204**	**381.771**
Balance at 1 January 2014	133.025.996	187.567	194.204	381.771
Balance at 30 September 2014	**133.025.996**	**187.567**	**194.204**	**381.771**

On 31 December 2013 and on 30 September 2014 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 €'000)

10. Borrowings

	Group		Company	
	30/09/2014	**31/12/2013**	**30/09/2014**	**31/12/2013**
Bank loans	149.744	174.522	21.146	21.146
Finance lease liabilities	12.250	13.183	11.777	12.650
Bond loans	-	132.739	-	-
Other loans	745	10.000	745	10.000
Total borrowings	**162.739**	**330.444**	**33.668**	**43.796**
Long-term borrowings	49.925	44.492	14.005	15.750
Short-term borrowings	112.814	285.952	19.663	28.046
	162.739	**330.444**	**33.668**	**43.796**

The bond loans of the subsidiary Hellas online are presented in note 18.

11. Finance (expenses) / income - net

	Group		Company	
	1/1 - 30/09/2014	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Finance expenses				
- Bank borrowings	(6.683)	(5.953)	(1.098)	(974)
- Other loans	(532)	(593)	(532)	(593)
- Finance leases	(432)	(531)	(409)	(430)
- Letters of credit and related costs	(3.126)	(2.693)	-	-
- Other	(906)	(570)	(13)	-
- Net foreign exchange gains / (losses)	327	(241)	-	-
Total finance expense	**(11.353)**	**(10.580)**	**(2.052)**	**(1.996)**
Finance income				
- Interest income	1.899	321	9	1
- Interest income from loans	365	350	365	350
- Other	127	242	26	-
Total finance income	2.391	912	400	351
Finance (expenses) / income - net	**(8.962)**	**(9.668)**	**(1.652)**	**(1.646)**

12. Income tax

	Group		Company	
	1/1 - 30/09/2014	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Current tax	(2.425)	(1.842)	-	-
Deferred tax	(252)	1.268	(38)	36
Total	**(2.677)**	**(574)**	**(38)**	**36**

As at 30/9/2014 the Group has recognised deferred tax assets of €6.418 (31/12/13: €15.370). 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.

For the financial years 2011-2013 the Company and 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 these financial years out of which no additional tax liabilities arose in excess of the tax expense and the tax provision provided for in the respective annual financial statements.

For the financial year 2014 the Company and Greek companies in the Group have been under the tax audit of the statutory auditors pursuant to the provisions of article 65a of Law 4174/2013, as amended by Law 4524/2014.

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 20.

13. Earnings / (losses) per share

Basic / diluted earnings / (losses) per share

	Group		Company	
	1/1 - 30/09/2014	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Losses attributable to equity holders of the Company				
From continuing operations	(9.180)	(9.857)	(6.179)	(3.372)
From discontinued operations	(5.645)	(3.283)	(10.254)	-
	(14.825)	(13.139)	(16.433)	(3.372)
Weighted average number of ordinary shares in issue (thousands)	133.026	133.026	133.026	133.026
Basic / diluted losses per share (€ per share)				
From continuing operations	(0,07)	(0,07)	(0,04)	(0,03)
From discontinued operations	(0,04)	(0,02)	(0,08)	-
Total profit / (losses) per share	(0,11)	(0,10)	(0,12)	(0,03)

(All amounts in €'000)

14. Cash generated from operations

	Group		Company	
	1/1 - 30/09/2014	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Loss for the period from continuing and discontinued operations	(15.432)	(13.968)	(16.433)	(3.372)
Adjustments for:				
Income tax	2.616	625	38	(36)
Depreciation of property, plant and equipment (PPE)	20.901	29.695	481	492
Amortisation of intangible assets	15.676	18.084	1	-
Depreciation of investment property	503	483	858	847
Impairment of investment property	150	-	150	-
(Profit) / loss on disposal of PPE	(23)	(388)	(2)	-
Fair value (gains) / losses on financial assets at fair value through profit or loss	(4)	69	-	-
(Gains) / losses from disposal of available-for-sale financial assets	1.092	-	225	-
Impairment of investment in subsidiary	-	-	10.254	-
Gains from disposal of associates	-	165	-	-
Losses from disposal of subsidiaries	-	(151)	-	-
Finance income	(2.336)	(974)	(400)	(351)
Finance expense	19.813	20.109	2.052	1.996
Amortisation of grants received	(1.302)	(1.643)	-	-
Share of losses from associates	6.765	4.709	-	-
Foreign exchange losses/(gains)	158	(253)	-	-
	48.578	**56.561**	**(2.776)**	**(423)**
Changes in working capital				
(Increase)/ decrease in inventories	5.589	(2.777)	-	-
(Increase)/ decrease in trade and other receivables	(27.644)	(12.568)	(1.051)	713
Increase/ (decrease) in trade and other payables	5.630	16.208	7.095	(2.393)
Increase/ (decrease) in provision	1.477	(674)	2.555	-
Increase/ (decrease) in retirement benefit obligations	375	570	-	(21)
	(14.572)	**758**	**8.599**	**(1.701)**
Cash generated from / (used in) operations	**34.005**	**57.319**	**5.824**	**(2.125)**

(All amounts in €'000)

15. Capital commitments

As at the balance sheet date there were capital commitments for property, plant and equipment of €3.100 for the Group (2013: €5.130).

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:

	Group		**Company**	
	30/09/2014	**31/12/2013**	**30/09/2014**	**31/12/2013**
Guarantees for advance payments	27.647	27.428	21.263	21.820
Guarantees for good performance	144.463	159.694	89.235	99.959
Guarantees for participation in contests	21.643	13.931	15.400	9.696
Other	11.735	11.875	5.815	3.618
	205.487	**212.927**	**131.712**	**135.093**

Guarantees include guarantees for good performance of €5.588 and guarantees for participation in contests of €2.448 for the Group and the Company that relate to the subsidiary Hellas online which is classified as held for sale.

The Company has provided guarantees to banks for loans of subsidiaries and other companies in which the Company holds investments amounting to €291.330, out of which €165.397 relate to Hellas online and have been classified as held for sale.

After the completion of Hellas online disposal, Intracom Holdings will be no longer liable for the guarantees provided for Hellas online amounting to €173,4 mil. In addition, after the completion of the disposal of Intracom Telecom, within 2014, the Company will be no longer liable for guarantees provided to banks for loans/letters of guarantee of €84mil.

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 suffered. On 29th August 2014, the Company was notified of the decision No 3389/2014 of the Multi-member Court of First Instance of Athens relating to the lawsuits filed against Intracom Holdings by the key management personnel of Teledome. According to the decision, the plaintiffs were awarded with a receivable up to the amount of €17,6 mil. plus interest of €10,9 mil. and their guarantees were withdrawn up to amount of €16 mil. On 30th September 2014, the Company filed an appeal to the Athens Court of Appeals requesting the annulment of the decision of the Multi-member Court of First Instance, with significant probability to win the case. Subsequently, a request for interim relief was filed by the plaintiffs requesting a freezing order on the Company's assets up to the amount of €41 mil. and the 3rd December 2014 to be the date of the hearing. The Company following the advice of its legal advisor did not recognise a relevant provision.

(All amounts in €'000)

The Group and the Company have recognised provisions for court decisions and disputes subject to judicial proceedings or arbitration amounting to €2,6 mil.

17. Related party transactions

The following transactions are carried out with related parties:

	Group		Company	
	1/1 - 30/09/2014	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Sales of goods / services:				
To subsidiaries	-	-	2.080	1.567
To associates	686	1.259	-	85
To other related parties	2.039	1.047	-	-
	2.725	**2.306**	**2.080**	**1.652**
Purchases of goods / services:				
From subsidiaries	-	-	268	205
From associates	15.759	9.083	-	
From other related parties	166	146	20	25
	15.926	**9.229**	**288**	**229**
Rental income:				
From subsidiaries	-	-	1.814	1.804
From associates	77	77	-	-
From other related parties	261	206	88	100
	338	**283**	**1.902**	**1.904**

	Group		Company	
	1/1 - 30/09/2014	**1/1 - 30/09/2013**	**1/1 - 30/09/2014**	**1/1 - 30/09/2013**
Sales and purchases of fixed assets				
Purchases of fixed assets:				
From subsidiaries	-	-	110	61
From associates	1.453	1.343	-	-
	1.453	**1.343**	**110**	**61**

(All amounts in €'000)

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.

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

	Group		Company	
	30/09/2014	**31/12/2013**	**30/09/2014**	**31/12/2013**
Receivables from related parties:				
From subsidiaries	-	-	7.280	2.380
From associates	-	12.540	-	2.867
From other related parties	8.025	8.562	1.600	1.405
	8.025	**21.102**	**8.880**	**6.652**
Payables to related parties:				
To subsidiaries	-	-	4.397	1.186
To associates	-	66.664	-	7.398
To other related parties	7.794	923	7.344	58
	7.794	**67.587**	**11.741**	**8.642**

During the third quarter of 2014 the company Intracom Telecom ceased to be an associate (see note 18). As a result, the receivables/payables from/to the company are not included in period-end balances, while the relevant transactions are included in the respective tables up to the date the Company exercised significant influence.

Key management compensations

For the nine months ended 30 September 2014, a total of €884 and €1.271 was paid by the Company and the Group respectively as Directors' remunerations, key Management and other related party compensations (1/1 – 30/9/2013: €751 and €1.442 respectively). As at 30 September 2014 and 31 December 2013 there were not any receivables and payables from/to Directors with regards to the Company. Regarding the Group, as at 30 September 2014 there were payables to Directors of €26 (2013: €26) and receivables from Directors of €6 (2013: €0).

18. Assets and liabilities of disposal group held for sale and discontinued operations

a) Intracom Telecom

For the period ended 30 June 2014, the company Intracom S.A. Telecom Solutions (Intracom Telecom) had been classified as held for sale following the binding agreement signed for the transfer of the Company's participation in Intracom S.A. Telecom Solutions's share capital that is a 49% stake, to investors in Dubai for a total consideration of €47 million, out of which €35 million in cash and €12 million by transfer of receivables. The Extraordinary General Meeting of shareholders of 16th May 2014 approved the foresaid transaction.

As a result, the share of losses from associates for the period 1/1 – 30/6/2014 of €6.671 (1/1 – 30/9/2013: €4.677) was transferred to the Group's net loss from discontinued operations and the respective investment was transferred from investments in associates to assets held for sale of the Group and the Company.

(All amounts in €'000)

During the third quarter of 2014 the company Intracom Telecom ceased to be an associate following the decision of the General Meeting of Shareholders which approved the resignation of the Board of Directors members representing Intracom Holdings. Subsequently, on 8th September 2014 Intracom Holding's BoD meeting concluded that under the current circumstances, the significant influence over the former associate does no longer exist and, as a result, there is no longer a requirement to include the financial statements of Intracom Telecom in the Group's consolidated financial statements.

As a result, the investment in Intracom Telecom was classified as "available-for-sale financial asset" as at that date. Due to the forthcoming disposal, the investment remains in the balance sheet within "Assets held for sale".

b) Hellas online

On 22 August 2014 the Company signed a binding agreement with Vodafone-Panafon for the transfer of the Company's participation in Hellas Online, which represents 57,24% (held directly and indirectly) of Common Registered Shares with voting rights, for a total consideration of €57,2 mil.. The transaction was completed on 25 November 2014 (see note 19).

As a result of this agreement, as of the above date the subsidiary's assets and liabilities as well as the subsidiary's results were classified as assets held for sale/discontinued operations.

An analysis of the result of Hellas Online operations for the period 1/1/2014-30/9/2014 is presented below:

	1/1 - 30/09/2014	**1/1 - 30/09/2013**
Sales	155.900	164.722
Cost of goods sold	(126.323)	(130.193)
Gross profit from discontinued operations	**29.576**	**34.529**
Other operating income	1.078	1.858
Other gains / (losses) - net	(27)	1
Selling and research costs	(10.204)	(11.721)
Administrative expenses	(10.177)	(12.713)
Operating profit / (loss) from discontinued operations	**10.246**	**11.954**
Finance income / (expenses) - net	(8.515)	(9.467)
Profit before income tax from discontinued operations	**1.731**	**2.487**
Income tax	60	(51)
Net profit for the period from discontinued operations	**1.792**	**2.436**
Other comprehensive income :		
Cash flow hedges	-	292
Total comprehensive income from discontinued operations	**1.792**	**2.728**

(All amounts in €'000)

The assets and liabilities of the disposal group held-for-sale relating to the subsidiary Hellas Online are presented below:

Assets

	30/9/2014
Property, plant and equipment	153.547
Intangible assets	25.284
Goodwill	39.227
Deferred income tax assets	8.548
Trade and other receivables	61.234
Cash and cash equivalents	12.658
Other assets	522
	301.019

Liabilities

Borrowings	165.397
Trade and other payables	98.845
Grants	18.916
Deferred income tax liabilities	1.035
Other liabilities	2.907
	287.101

An analysis of cash flows is presented below:

	1/1 - 30/09/2014	**1/1 - 30/09/2013**
Cash flows from operating activities	35.580	40.143
Cash flows from investing activities	(30.847)	(32.565)
Cash flows from financing activities	(1.284)	(9.403)
Total cash flows	**3.449**	**(1.824)**

19. Post balance sheet events

On 25th November 2014, the transfer of the Group's shareholding in the subsidiary Hellas online, which represents 57,24%, was completed for a total consideration of €57mil., along with the transfer of all of its preference shares for a total consideration of €10mil. The effect of the sale of the total number of shares previously held by the Group in Hellas Online on the consolidated income statement as at 31st December 2014 is estimated to be positive, based on the available financial information of the disposed company as of 30th September 2014, with a total benefit of approximately €55mil. (including the results of the disposed company for the period from 1st October 2014 until the date of the disposal).

Except for the above, there are no other significant post balance sheet events.

(All amounts in €'000)

20. Subsidiaries

The companies and joint arrangements included in the consolidated financial statements and the related direct percentage interests held as at 30 September 2014 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% (note 1)	Full	2010
*	Intracom Holdings International Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Technologies Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Operations Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Group USA	USA	100,00%	Full	From establishment - 2013
	- Duckelco Holdings Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Ingrelenco Trading Co. Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Edutech Sa**	Greece	50,00%	Equity	-
*	Intrasoft International S.A.	Luxemburg	99,99%	Full	2008-2013
	- Intrasoft SA	Greece	99,00%	Full	2010-2013
	- Intrasoft International Belgium	Belgium	100,00%	Full	2004-2013
	- Intrasoft International Bulgaria	Bulgaria	100,00%	Full	2013
	- Global Net Solutions Ltd	Bulgaria	100,00%	Full	From establishment - 2013
	- Intracom IT Services Middle East & Africa	Jordan	80,00%	Full	2010-2013
	- Intrasoft International Scandinavia (πρώην IT Services Denmark AS)	Denmark	100,00%	Full	2008 - 2013
	- Intracom Exports Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intracom Cyprus Ltd	Cyprus	100,00%	Full	From establishment - 2013
	- Intrasoft Information Technology UK Ltd	Great Britain	100,00%	Full	From establishment - 2013
	- Intrasoft International USA Inc	USA	100,00%	Full	2012-2013
	- Intrasoft International ME FZC**	UAE	80,00%	Full	From establishment - 2013
*	Advanced Transport Telematics S.A.**	Greece	80,88% (note 2)	Full	-

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

Note 2: The total indirect shareholding in Advanced Transport Telematics (80,88%) results from the participation of the subsidiaries Intrasoft International SA (direct shareholding 50%) and Intrakat SA (direct shareholding 50%).

(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	2009-2013
- Oikos Properties SRL	Romania	100,00%	Full	2007-2013
- Rominplot SRL	Romania	99,99% (note 3)	Full	2010-2013
- Eurokat SA	Greece	54,89%	Full	-
- J/V Aktor ATE - Lobbe Tzilalis - Eurokat ATE (Total administration of ooze KEL)	Greece	18,29%	Proportional	2010-2013
- J/V Eurokat ATE - Proteas ATEE (Rainwater runoff networks in Paiania's Municipality)	Greece	27,45%	Proportional	2011-2013
- Intrakat International Ltd	Cyprus	100,00%	Full	2008-2013
- Alpha Mogilany Development SP Z.O.O.	Poland	25,00%	Equity	2008-2013
- Ambtila Enterprises Limited	Cyprus	100,00%	Full	2007-2013
- A. Katselis Energeiaki SA	Greece	50,00%	Full	2009-2013
- Intradevelopment SA Estate Development & Management	Greece	100,00%	Full	2010-2013
- Fracasso Hellas AE Design & construction of road safety systems	Greece	100,00%	Full	-
- Prisma - Domi ATE	Greece	100,00%	Full	2010
- Mobile Composting S.A.	Greece	24,00%	Equity	2012-2013
- J/V Prisma Domi. - "J/V Archirodon Hellas ATE - Prisma Domi ATE" (General Detainment Facility of Eastern Macedonia & Thrace)	Greece	80,00%	Proportional	2010-2013
- J/V VIOTER S.A. - Prisma Domi ATE (Waste treatment plants and underwater disposal pipeline of Ag. Theodoroi Municipality)	Greece	20,00%	Proportional	2010-2013
- J/V Prisma Domi ATE - Mesogeios ES SA (Biological purification operation and maintentance in Oinofita Shimatariou)	Greece	50,00%	Proportional	2010-2013
- J/V Prisma Domi - Proteas (Ombria Anavisou)**	Greece	50,00%	Proportional	-
- J/V Prisma Domi - Proteas (Project for completion of Xiria stream)**	Greece	50,00%	Proportional	-
- Intrapower SA Energy Projects	Greece	100,00%	Full	-
- Intrablue Hotel and Tourist Enterprises**	Greece	50,00%	Full	-
- Anaptyxiaki Kykladon SA Estate Development**	Greece	100,00%	Full	-
- Intrakyklades Estate Development**	Greece	100,00%	Full	-
Thivaikos Anemos Energeiaki SA**	Greece	30,00%	Equity	2012-2013
J/V Mohlos - Intrakat (Tennis)	Greece	50,00%	Equity	2010-2013
J/V Mohlos - Intrakat (Swimming pool)	Greece	50,00%	Equity	2010-2013
J/V Panthessaliko Stadium	Greece	15,00%	Equity	2007-2013
J/V Elter - Intrakat (EPA Gas)	Greece	45,00%	Equity	2010-2013
J/V Intrakat - Gatzoulas	Greece	50,00%	Equity	2004-2013
J/V "Ath.Techniki-Prisma Domi" - Intrakat	Greece	57,50%	Equity	2005-2013
J/V Intrakat - Ergas - ALGAS	Greece	33,33%	Equity	2008-2013
J/V Intrakat - Elter (Maintenance of North Sector)	Greece	50,00%	Proportional	2008-2013
J/V Intrakat - ATTIKAT (Egnatia Road)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Alex/polis pipeline)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Xiria project)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Arta's detour project)	Greece	30,00%	Proportional	2010-2013
J/V Intrakat - Elter (Natural gas school installation project)	Greece	30,00%	Proportional	2010-2013
J/V Intrakat - Intracom Telecom (DEPA Network)	Greece	70,00%	Proportional	2007-2013
J/V Intrakat - Elter (Broadband networks)	Greece	50,00%	Proportional	2008-2013
J/Vintrakat - Elter (Gas distribution network expansion Xanthi, Serres, Komotini)	Greece	50,00%	Proportional	2008-2013
J/V AKTOR ATE - J&P Avax - Intrakat (J/V Moreas)	Greece	13,33%	Proportional	2008-2013
J/V Intrakat - Elter (Hospital of Katerini)	Greece	50,00%	Proportional	2008-2013
J/V Intrakat - Elter (Hospital of Corfu)	Greece	50,00%	Proportional	2008-2013
J/V Intrakat- Elter (EPA 7 - Natural gas pipeline distribution network Attica South Region)	Greece	49,00%	Proportional	2010-2013

Note 3: The total shareholding in Rominplot 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 (Natural gas distribution network Lamia-Thiva-Chalkida)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Elter (Ionios General clinic)	Greece	77,19%	Proportional	2010-2013
J/V Intrakat - ETVO (Construction of the central library facilities of the Athens School of Fine Arts)	Greece	70,00%	Proportional	2008-2013
J/V Anastilotiki - Getem - Eteth - Intrakat (Museum of Patras)	Greece	25,00%	Proportional	2010-2013
J/V Anastilotiki - Getem - Intrakat (Peiros-Parapeiros Dam)	Greece	33,30%	Proportional	2008-2013
J/V Intrakat - Elter (Dam construction at Filiatrino basin)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - K.Panagiotidis & Co (Project of transfer line 1)	Greece	60,00%	Proportional	2010-2013
J/V Altec - Intrakat - Anastilotiki (Thessaloniki Airport)	Greece	46,90%	Proportional	2010-2013
J/V Elter ATE - Intrakat (Nea Messimvria project)	Greece	50,00%	Proportional	2010-2013
J/V Intrakat - Filippos SA (Amfipolis project)	Greece	50,00%	Proportional	2011-2013
J/V Ekter SA - Erteka SA - Themeli SA - Intrakat (Networks of Filothei region in Kifisia)	Greece	24,00%	Proportional	2011-2013
J/V Intrakat - Mavridis (Construction of hypermarket Carrefour in Chalkidiki)	Greece	99,00%	Proportional	2011-2013
J/V Intrakat - G.D.K. Texniki E.P.E. "J/V for the construction of Filiatrinou Dam"	Greece	70,00%	Proportional	2011-2013
J/V J&P AVAX - AEGEK - Intrakat (Construction of railway Kiato - Rododafni)	Greece	33,33%	Proportional	2012-2013
J/V AKTOR ATE - Porto Karras AE - Intrakat (Eschatias Dam)	Greece	25,00%	Proportional	2013
J/V Intrakat - Proteas (Xiria Corinth)	Greece	50,00%	Proportional	2012-2013
J/V AKTOR ATE - J&P AVAX - Intrakat (Panagopoulas Tunnel)	Greece	25,00%	Proportional	-
J/V AKTOR ATE - INTRAKAT (Tracking Payment Aposelemis reservoir)**	Greece	50,00%	Proportional	-
J/V ATERMON ATE - INTPAKAT (Supply of materials & construction of transmission line 400 KV KIT-Lagada KIT Philipon and change of transmission line 400 KIT Thessalonikis - KIT Lagada KYT Philipon)**	Greece	50,00%	Proportional	-
J/V INTRAKAT -ERGO ATE (Construction of distribution network & and gas pipelines in Attiki)**	Greece	50,00%	Proportional	-

* Direct shareholding

(**) These companies have been included in the Group for the first time in the current period ending 30 September 2014 but were not included in the corresponding period of 2013.

The company Data Bank SA was included in the consolidated financial statements for the period 1/1 – 30/9/2013, but not in the current period's financial statements (1/1 – 30/9/2014). Data Bank SA was included in the consolidated financial statements up to 30 December 2013, at which date it was disposed of.

During the third quarter of 2014 the company Intracom Telecom ceased to be an associate and as a result as at 30 September 2014 it is not part of the Group (note 18).

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)

Peania, 27 November 2014

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR
D. C. KLONIS ID No. AK 121708 / 07.10.2011	**K. S. KOKKALIS** ID No. AI 091122 / 14.10.2009
THE CHIEF FINANCIAL OFFICER AND MEMBER OF THE BOARD OF DIRECTORS	**THE CHIEF ACCOUNTANT**
G. SP. KOLIASTASIS ID No. S 699882 / 09.11.1998	**J. K. TSOUMAS** ID No AZ 505361 / 10.12.2007 Licence No 637