HELLENIC CABLES S.A.

HELLENIC CABLE INDUSTRY S.A.

ANNUAL FINANCIAL REPORT
as at 31 DECEMBER 2011

Based on Article 4 of Law 3556/2007

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www.cablel.gr

Corp. Reg. No. 8246/06/B/11

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A. Statements made by Representatives of the Board of Directors

Statements made by Representatives of the Board of Directors
(According to Article 4(2) of Law 3556/2007)

To the best of our knowledge, we hereby declare that the annual financial statements drawn up in line with the applicable accounting standards (International Financial Reporting Standards) give a fair view of the assets and liabilities, equity and operating results of HELLENIC CABLES S.A. (the Company) and of the entities included in the consolidation taken as a whole, and that the annual report of the Board of Directors gives a fair view of the development, performance and standing of the Company and of the entities included in the consolidation taken as a whole, including the description of the main risks and uncertainties facing them.

Athens, 16 March 2012

Chairman of the Board of Directors	General Manager and Member of the Board of Directors	Member of the Board of Directors
Ioannis Batsolas	**Alexios Alexiou**	**Ioannis Stavropoulos**

B. Annual Report by the Board of Directors

ANNUAL REPORT
BY THE BOARD OF DIRECTORS OF "HELLENIC CABLES S.A." ON THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2011

Dear Shareholders,

In accordance with the provisions laid down in Laws No. 2190/1920 & 3556/2007 and the executive decisions made by the Hellenic Capital Market Commission based on those laws, we are happy to submit you the Annual Report by the Board of Directors for the current fiscal year 2011.

This Report includes a summary of the financial results and changes of the year, an account of important events that took place during 2011, an analysis of the prospects and risks expected during 2012, as well as a list of transactions with affiliates. The above information pertains both to the Company and the Group.

In addition to Hellenic Cables - Hellenic Cables Industry S.A., Hellenic Cables Group consolidates the following affiliates:

Using the acquisition method of accounting (full consolidation):

TELECABLES S.A., primary place of business: Athens (until 01.08.2011, date of absorption)
- FULGOR S.A., primary place of business: Athens (as of 01.08.2011, date of acquisition)
- ICME Ecab S.A., primary place of business: Bucharest, Romania
- LESCO O.O.D., primary place of business: Blagoevgrad, Bulgaria
- GENECOS S.A., primary place of business: Paris, France
- LESCO ROMANIA, primary place of business: Bucharest, Romania
- DE LAIRE LIMITED, primary place of business: Nicosia

Using the equity method of accounting:

EDE S.A., primary place of business: Athens
- ELECTRIC CABLES AGENCIES, primary place of business: London
- METAL AGENCIES LTD, primary place of business: London
- METAL GLOBE DOO., primary place of business: Belgrade
- STEELMET S.A., primary place of business: Athens
- COPPERPROM LTD., primary place of business: Athens

Using the proportional consolidation method:

JOINT VENTURE NEXANS–HELLENIC CABLES–FULGOR–PPC 2009

There are no parent company shares owned either by itself or by another consolidated company.

1. Report on the ending year

For Hellenic Cables Group, 2011 was marked by the acquisition of Fulgor S.A., which is expected to contribute significantly to the Group's future performance, and by the improved results of the Group's principal companies.

FULGOR S.A. (hereinafter Fulgor) had fallen under the arrangement procedure of Article 99 of the code on bankruptcy since December 2010. To ensure the future survival and prosperity of FULGOR, HELLENIC CABLES S.A. undertook negotiations with the creditors of Fulgor. In the context of such negotiations, HELLENIC CABLES reached an agreement with the lending banks to which FULGOR owed approximately € 64 million.

Of the total bank debts, it was stipulated that FULGOR would issue a bond loan amounting up to € 22 million, which would be repaid from funds contributed by HELLENIC CABLES S.A. to FULGOR through a share capital increase that would be fully subscribed by HELLENIC CABLES. The funds to be contributed to FULGOR would arise from the share capital increase of HELLENIC CABLES S.A. which would issue 2,320,000 new shares to be fully taken exclusively by the banks. Thus, FULGOR would fully repay the above bond loan amounting up to € 22 million and would enter a phase of recovery.

The acquisition was completed on 29 July 2011. On 7 September 2011, the General Meeting of shareholders of Hellenic Cables decided to raise its share capital through abolition of the pre-emption right of the existing shareholders. The share capital increase stood at € 9,593,921 and was completed on 7 February 2012. More specifically, 2,320,000 new ordinary registered shares were issued, which were taken over by the lending banks of Fulgor and whose trading on the ASE started on 7 March 2012.

Such acquisition is expected to bolster the export orientation of HELLENIC CABLES Group while also enriching the portfolio of products with high added value cables such as energy submarine cables. In addition, the synergies that will arise among the sales networks, supply chain, production as well as research and development of new products are expected to have a positive effect on the Group's financial results. By acquiring FULGOR, HELLENIC CABLES Group becomes one of the largest cable groups in Europe.

Moreover, on 1 August 2011, the absorption of TELECABLES S.A. by the parent HELLENIC CABLES S.A. was completed. Given that TELECABLES S.A. was a wholly-owned subsidiary on 31 December 2011, the consolidated figures of HELLENIC CABLES Group were not affected in comparison with the previous fiscal year.

The Group's turnover stood at € 415 million in 2011, registering a considerable increase (18% compared to 2010) which is due to the Group's increased sales to other countries and also to the consolidation of the new subsidiary. Fulgor's sales during the period it was consolidated with

HELLENIC CABLES Group stood at € 19 million and thus the effect on the Group’s turnover was minor.

In the Greek market, HELLENIC CABLES Group maintained its leading position. However, the reduced demand due to the drop in building activity and the strategy of credit risk decrease entailed decreased sales by 13% compared to 2010. Approximately 3/4 of the Group’s sales in Greece were made to energy utilities, major industrial units and companies of VIOHALCO Group.

In exports, increase in sales came to 38%, as a result of the Group’s export orientation despite the uncertainty in the international markets. The political and economic developments in the Arab countries and also in the European countries of the Mediterranean led to decreased demand in these markets and, by extension, to increased competition. In 2011, exports accounted for 71% of the Group’s total sales compared to 61% in 2010.

The gross profits of the Group amounted to € 26.9 million, increased by 29% compared to 2010. Earnings before interest, taxes, depreciation and amortization (EBITDA) stood at € 20.9 million, registering a 58% increase compared to 2010, while earnings before interest and tax (EBIT) amounted to € 11.8 million, being increased by 130% compared to 2010.

Such improvement of the results is due to the increased sales and also to the improvement in margins despite the fierce competition and upward trends of raw materials, as a result of the increased sales of added value products.

Group pre-tax results amounted to profits of € 3.6 million compared to € 568,000 in 2010 while net results stood at profits of € 3.3 million compared to € 394,000 in 2010.

The net borrowing of the Group amounted to € 152 million compared to € 102 million in 2010 due to the acquisition of Fulgor and the financing of the increased working capital. The Group managed to reduce the collection time of trade receivables while the days of inventory keeping were raised due to the creation of an initial operating inventory of Fulgor. The commercial working capital to sales ratio rose 28% in 2011 compared to 31% in 2010, indicative of its focus on a more optimized management of working capital and the Group’s potential synergies,.

The investments made in 2010 amounted to € 8.1 million at Group level and concerned mainly the purchase of mechanical equipment in order to increase the percentage of high added value products in the product mix, improve productivity and enhance the capacity of the Group's plants.

Finally, training as well as the health and safety of employees are still core elements of the Group's strategy together with its commitment to operate driven by the principles of responsible and sustainable development.

2. Financial position

The ratios presenting the financial position of the Group and the Company are set out in the table below:

	GROUP		COMPANY	
	2011	2010	2011	2010
Gross profit margin (Gross profit/ (sales)	6.5%	5.9%	5.2%	4.4%
Net profit margin (Net profit/ Sales)	0.8%	0.1%	0.3%	-0.1%
Debt-equity ratio (Debt/ Equity)	1.47	1.09	1.00	1.03
Liquidity ratio (Current assets/ short-term payables)	1.25	1.40	1.44	1.19
Return on Equity (Net profit/ Equity)	2.9%	0.4%	1.2%	-0.2%
Inventory turnover ratio (Inventory/ Cost of sales) x 365 days	87	75	54	57
Receivables turnover ratio (Trade receivables/ Sales) x 365 days	50	74	66	78
Accounts payable turnover ratio (Trade creditors/ Cost of sales) x 365 days	31	33	43	59

3. Credit Risk

The Group's risk management policies are applied in order to identify and analyze the risks that the Group is exposed to, set risk-taking limits and apply relevant control systems. The risk management policies and relevant systems are examined from time to time so as to take into account any changes in the market and the Group's activities.

The implementation of risk management policies and procedures is supervised by the Internal Audit department, which performs ordinary and extraordinary audits relating to the implementation of procedures, whereas the results of such audits are notified to the Board of Directors.

3.1 Credit risk

Credit risk is the risk that the Group will incur loss if a client or third party to a transaction on a financial instrument fails to perform according to the terms and conditions laid down in the relevant contract. Credit risk is mainly associated with receivables from clients and investments in securities.

3.1.1 Customers and other trade receivables

The Group's exposure to credit risk is affected mainly by the characteristics of each individual customer. The statistics associated with customers such as the segment and the country in which each customer operates have a minor effect on the Group's overall credit risk since no high geographical concentration of customers is noticed. During the fiscal year, only one customer represented over 10% of sales while its balance was kept at a considerably lower level than 10% of trade receivables and, thus, the trading risk is allocated to a large number of customers.

The Board of Directors has laid down a credit policy which requires that all new customers are scrutinized individually as regards their creditworthiness before normal payment terms are proposed to them. The creditworthiness control performed by the Group includes an examination of information from banking sources and other third party credit rating sources, if any. Credit lines are set for every customer, and they are re-examined in the light of current circumstances and, if required, the relevant sales and payment terms are readjusted accordingly.

Customer credit lines are normally determined based on the insurance limits obtained for them from insurance companies and then receivables are insured based on such credit lines.

In monitoring customer credit risk, customers are grouped depending on their credit characteristics, the aging profile of their receivables and the existence of any possible previous difficulties in collecting receivables. Any customers characterised as being of "high risk" are included in a special list of customers and future sales must be received in advance and approved by the Board of Directors. According to the customer's history and capacity, in order to secure its receivables, the Group requests real guarantees or collateral (i.e. letters of guarantee), when possible.

The Group records a provision for impairment, which represents its estimated losses relating to customers, other trade receivables and investments in securities. The above provision includes mainly impairment losses relating to specific receivables which, based on given conditions, are expected to be incurred, but are not finalized yet.

3.1.2 Investments

Investments are classified by the Group pursuant to the purpose for which they were acquired. The Management decides on the appropriate classification of the investment during the time such was acquired and reviews the classification on each presentation date.

3.1.3 Guarantees

The Group's policy requires that no financial guarantees are provided. By way of exception, however, such guarantees can be provided only to subsidiaries and affiliates based on a resolution passed by the Board of Directors.

3.2 Liquidity risk

Liquidity risk is the risk that the Group will be unable to fulfil its financial liabilities upon maturity. According to the approach adopted by the Group for liquidity management, through the maintenance of absolutely necessary cash and cash equivalents and sufficient credit lines with cooperating banks, the Group will always have adequate funds to fulfil its liabilities upon maturity, both under ordinary and extraordinary conditions, without incurring unacceptable loss or jeopardizing the Group's reputation.

To prevent liquidity risks, when preparing its annual budget, the Group estimates its cash flows for one year. The Group also estimates such cash flows every quarter so as to ensure that it holds sufficient cash and cash equivalents to meet its operating needs, including the fulfilment of its financial liabilities. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

3.3 Market risk

Market risk is the risk of fluctuations in raw material prices, exchange rates and interest rates which can have an effect on the Group's results or the value of its financial instruments. Market risk management is aimed at controlling the Group's exposure to relevant risks within a framework of acceptable parameters, with a parallel optimization of performance.

The Group uses transactions on derivative financial instruments in order to hedge part of market risks.

3.3.1 Metal Raw Material Fluctuation Risk (copper, aluminium, other metals)

The Group bases both its purchases and sales on stock prices/indices linked to the prices of copper and other metals which are used by the Group and included in its products. The risk from metal price fluctuation is covered by hedging instruments (futures and options on London Metal Exchange-LME). The Group, however, does not use hedging instruments for the entire stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through inventories depreciation.

3.3.2 Foreign exchange risk

The Group is exposed to foreign exchange risk in connection with its sales and purchases and its loans issued in a currency other than the functional currency of the Group companies, which is primarily the Euro. The currencies used for such transactions are mainly the Euro, the US dollar and the pound.

Over time, the Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as receivables and liabilities in foreign currency.

In most of the cases, the Group signs foreign currency futures with its foreign counterparties in order to hedge the risk of foreign exchange rate changes, which expire normally in less than one year from the balance sheet date. When necessary, such futures are renewed upon expiry. On a per-case basis, foreign exchange risk may also be hedged by obtaining loans in the respective currencies.

Loan interest is in the same currency as that used in the cash flows arising from the Group's operating activities, which is mainly the Euro.

Group investments in foreign subsidiaries having other functional currency than the Euro (e.g. RON for ICME ECAB) are not hedged because such foreign exchange positions are considered to be of long-term nature.

3.3.3 Interest rate risk

The Group obtains funds for its investments and its working capital through bank loans and bond loans, and thus debit interest is charged to its results. Any upward trend of interest rates will have a negative effect on results since the Group will bear additional borrowing costs.

The interest rate risk is mitigated as part of the group's loans are obtained based on fixed interest rates, either directly or through the use of financial instruments (interest rate swaps).

3.3.4 Capital management

The policy applied by the Board of Directors includes the maintenance of a robust capital basis, in order to keep the Group trustworthy among investors, creditors and market players, and allow the future development of the Group's activities. The Board of Directors monitors capital performance, which is defined by the Group as the net results divided by the total net worth, exclusive of non convertible preferred shares and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of ordinary shares.

The Board of Directors tries to maintain a balance between the higher performance levels which would have been attained through increased loans and the advantages and security offered by a robust and healthy capital basis.

The Group does not have a specific own share purchasing plan.

There have been no changes in the approach adopted by the Group concerning capital management during the fiscal year.

4. Objectives and Outlook for 2012

HELLENIC CABLES Group pursues steadily its growth, focusing on the administrative and operational incorporation of FULGOR in the Group, on the attainment of synergies and economies of scale, on increasing its sales to foreign markets and also on improving profit margins through the increased sales of high added value products. Concurrently, the prudent management of working capital and, by extension, total borrowing, is considered critical owing to the increased financing cost and overall liquidity problems registered in the Greek and European markets.

As regards the performance of its financial figures for 2012, the aggravation of the financial situation in Greece and many European countries is expected to affect the Group's results. Nevertheless, the benefits from the Group's strategic moves will be gradually noticed and are expected to improve the financial figures. HELLENIC CABLES Group remains optimist as for the attainment of the goals set despite the adverse circumstances prevailing in the market, since 2012 will see the first sales of submarine cables and extra high-voltage underground cables from which the Group expects to draw a considerable pat of its future profitability.

Hellenic Cables aims to maintain its leading position in the Greek and Romanian markets relying on the long-standing relations developed with companies in the energy and construction sectors and also on the high quality and competitive pricing of its products. As for exports, the increase in the shares in the main EU markets and further expansion of its clientele base to electricity generation, transmission and distribution companies and also to specialized sectors such as renewable energy sources (cables for photovoltaic and wind parks) is deemed important. Like in the previous years, the performance of foreign exchange rates will have a significant effect on exports to non-EU countries.

Finally, the personnel health, safety and training as well as corporate and social responsibility are still very important for the Group's operation and an integral part of its long-term strategy.

5. *Significant transactions with Affiliates*

The transactions of Hellenic Cables Group and Company are set out in the following tables:

Transactions of Hellenic Cables Company with subsidiaries

Companies	Sales of goods, services & fixed assets	Purchases of goods, services & fixed assets	Receivables	Payables
ICME ECAB	17,444,629	39,306,111	2,695,565	16,832,006
FULGOR	25,496,247	15,829,229	18,836,104	1,015
LESCO EOOD	18,830	1,441,442	12,150	481,990
OTHER	147,554	154,166	87,716	39,965
SUBSIDIARIES' TOTAL	**43,107,260**	**56,730,948**	**21,631,535**	**17,354,976**

Transactions of Hellenic Cables Company with Affiliates

Companies	Sales of goods, services & fixed assets	Purchases of goods, services & fixed assets	Receivables	Payables
STEELMET S.A.	0	1,060,436	0	120,755
HALCOR	17,633,458	9,899,900	1,552,882	0
METAL AGENCIES	1,470,411	307,551	1,315,201	149,849
FITCO	1,370,466	133,992	430,604	1,583
ELVAL S.A.	2,563,190	3,351,899	983,035	2,658,632
ERLIKON	3,203	2,203,508	0	547,752
OTHER	898,028	2,472,548	1,203,050	901,521
AFFILIATES' TOTAL	**23,938,756**	**19,429,834**	**5,484,772**	**4,380,092**

Transactions of VIOHALCO Group with Hellenic Cables Group

Companies	Sales of goods, services & fixed assets	Purchases of goods, services & fixed assets	Receivables	Payables
STEELMET	0	1,060,436	0	120,755
HALCOR	18,381,174	50,687,513	1,950,813	725,591
SOFIA MED	618,517	6,969,828	120,797	1,638,485
METAL AGENCIES	1,825,369	359,516	1,487,796	156,337
FITCO	1,423,786	133,992	436,197	1,583
ELVAL	4,121,717	5,265,960	1,211,404	2,671,634
ERLIKON	3,203	2,510,299	0	854,043
COOPER VALIUS	3,297,152	0	19,883	0
OTHER	3,072,775	3,098,689	1,587,694	858,116
TOTAL	**32,743,693**	**70,086,233**	**6,814,584**	**7,026,544**

- **STEELMET** provides Hellenic Cables with administration and organization services.
- **HALCOR** purchases from Hellenic Cables Group copper scrap from the returns generated from the production process and PVC which HALCOR uses for insulated pipes. Hellenic Cables Group purchases from HALCOR significant quantities of wire for cable manufacturing.
- **SOFIA MED** sells copper products primarily to the subsidiary Genecos.
- **METAL AGENCIES** acts as trader-distributor of Hellenic Cables Group in Great Britain.
- **FITCO** sells to Hellenic Cables copper strips and buys copper scrap from the returns generated from the production process.
- **ELVAL** buys from Hellenic Cables Group aluminium scrap from the returns generated from the production process.
- **ERLIKON** sells to Hellenic Cables steel wires for cable manufacturing.
- **COOPER VALIUS** buys from ICME ECAB copper scrap from the returns generated from the production process.
- **ICME ECAB** purchases from Hellenic Cables plastic/rubber mixes for its production process as well as finished cables that the company cannot produce. ICME ECAB also sells to Hellenic Cables semi-finished and finished products for distribution in the domestic market.
- **FULGOR** purchases from Hellenic Cables raw materials and semi-finished products for cable production and sells to Hellenic Cables finished (mainly cables) and semi-finished products.
- **LESCO EOOD** sells to Hellenic Cables wooden packaging materials.

5.1 Remuneration paid to Board members and top executives

The fees paid to management executives and members of the Board of Directors in 2011 amounted to € 841,601 for Hellenic Cables Group and € 618,749 for the parent company Hellenic Cables.

6. Detailed Information under Article 4(7) of Law 3556/2007

6.1 Structure of Share Capital

The Company’s share capital amounts to € 20,977,916 divided into 29,546,360 ordinary registered shares with a nominal value of € 0.71 each. All shares are listed and traded on the primary securities market of the Athens Stock Exchange, in the Medium Capitalization category. The Company's shares are dematerialized, registered with voting rights. On 7 September 2011, the General Meeting of the Company's shareholders decided to increase its share capital following the agreement concluded with various banks in order to settle the debts of Fulgor, such agreement anticipating the waiver of old shareholders in favour of lending banks. The share capital increase stood at € 9,593,921 and was completed on 7 February 2012. Specifically, 2,320,000 new ordinary registered shares were issued and started being traded on the ASE on 7 March 2012. On 31 December 2011, the Company registered receivables from new shareholders and raised accordingly the share capital since it believed that the new shareholders had the contractual obligation to take part in the share capital increase.

According to the Company's articles of association the rights and obligations of shareholders are the following:

- Right to dividend from the Company's annual earnings. The dividend of each share is paid to its holder within two (2) months from the date of the General Meeting that approved the financial statements. The right to receive dividend is cancelled after five (5) years from the end of the year, during which the General Meeting approved the dividend distribution.
- Pre-emptive right to any share capital increase and withdrawal of new shares.
- Right to participate in the General Shareholders' meeting.
- The capacity of the shareholder rightfully entails acceptance of the Company's articles of association and the decisions of its bodies, which are in accordance with such and the law.
- The Company's shares are indivisible and the Company does recognize only one owner exclusively for each share. All co-owners of shares, as well as those with usufruct or bare ownership of such are represented in the General Meeting by only one individual, who is designated by such following an agreement. In case of a dispute, the share of the above owners is not represented.
- Shareholders are not liable further than the nominal value of each share.

6.2 Limitations to the transfer of Company shares

The transfer of Company shares takes place as stipulated by the Law and there are no limitations regarding such transfers from its Articles of Association.

6.3 Significant direct or indirect participations according to the definition of articles 9 to 11 of L. 3556/2007

The significant (over 5%) participations on 31.12.2011 are as follows:

- VIOHALCO S.A.: percentage of 74.47% of voting rights (direct and indirect)
- HALCOR S.A.: percentage of 72.53% of share capital

6.4 Shares incorporating special control rights

There are no Company shares that provide special control rights to owners.

6.5 Limitations on voting rights

According to the Company's Articles of Association, there are no limitations on voting rights emanating from its shares. The rules of the Company's articles of association, which stipulate issues of voting, are included in article 24 of its Articles of Association.

6.6 Agreements between Company Shareholders

To the knowledge of the Company Management, there are no agreements between shareholders.

6.7 Rules for appointment and replacement of BoD members and amendment of the articles of association

The rules stated by the Company's Articles of Association regarding the appointment and replacement of its Board of Directors' members and the amendment of the provisions of its Articles of Association do not differ from those stipulated by C.L. 2190/1920.

6.8 Responsibility of the Board of Directors for the issuance of new shares or the purchase of own shares

- Article 6 § 1 of the Company's articles of association stipulates that only the General Shareholders' Meeting, which convenes with quorum of 2/3 of the paid up share capital, has the right to increase the Company's share capital through issuance of new shares, by means of a decision made by a majority of 2/3 of the represented votes.
- The Company's articles of association do not allow the granting to the Board of Directors or to specific BoD members of any right corresponding to the General Meeting, for issuance of shares and share capital increase.
- The Board of Directors may proceed with the purchase of own shares in the context of a decision by the General Meeting according to article 16 par. 5 to 13 of C.L. 2190/20.
- In pursuance of article 13(e) of C.L. 2190/20, the Company's Board of Directors during the month of December of years 2006 until 2013, increases the Company's share capital, without amendment of its articles of association, by issuing new shares in the context of the Stock Option Plan approved by the General Shareholders' Meeting on 26.06.2002. Detailed information on the latter is presented analytically in note 30 of the Annual Financial Statements.

6.9 Significant agreements put into effect, amended or terminated in case of a change in the Company's control

The contracts of the Company's ordinary bond loans, which were undertaken in full by Banks and are presented in note 28 of the annual financial statements (Group: € 95 million, of which € 31 million are of short-term duration; and for the Company € 60 million, of which € 22 million are of short-term duration), include a clause for change in control in their terms, which provides lenders with the right to denounce such before their maturity in case the clause is activated.

To the best of the Company Management's knowledge, there are no other agreements which are put into effect, amended or terminated in case of a change in the Company's control.

6.10 Agreements with BoD members or the Company's staff

To the best of the Company Management's knowledge, there are no agreements of the Company with the members of its Board of Directors or with its staff, which stipulate the payment of indemnity specifically in case of resignation or termination of employment without reasonable cause or of termination of their term or employment.

7. STATEMENT OF CORPORATE GOVERNANCE

7.1 Code of Corporate Governance

The Company and the Group have adopted the practices of Corporate Governance as to how it is managed and run, as these are specified by the applicable institutional framework and the Corporate Governance Code recently published by the Hellenic Federation of Enterprises (SEV) (hereinafter referred to as "code") and available on the following website:

http://www.sev.org.gr/Uploads/pdf/KED_TELIKO_FEVR.2012.pdf

In the context of preparation of the Annual Management Report of the Board of Directors, the Company reviewed the Code. Based on such review, the Company concluded that it applies the special practices for listed companies that are set out and described in the Corporate Governance Code of SEV save the following practices for which the relevant explanations are laid down:

- **Part A.2. 2.2, 2.3 & 2.5: Size and composition of the Board**: a) The independent non-executive members of the current Board of Directors are two (2) out of eleven (11) and, therefore, their number is less than the one third of all its members, as indicated in the Code; b) an independent member has served for a period exceeding 12 years from his/her first election.
  Under the current circumstances, it was deemed that the increase in the number of independent members or the restriction of members' term of office would not improve the effective operation of the company.
- **Part A.3. 3.3 Role and profile of the Board Chairman.** The Chairman of the Board of Directors is an executive member while the Vice-chairman is non-executive, non-independent member.
  Under the current circumstances, it was not deemed that the company's more effective operation would be guaranteed if the Board Vice-chairman were an independent member in addition to non-executive.

- **Part A.5. 5.5. Nomination of Board members**. There was no committee to nominate members until the time this Statement was drafted for the same reasons as above.
- **Part A.7 .7.1. – 7.3. Evaluation of Board of Directors and its Committees.** Until the time this Statement was drafted, the Company had not chosen any specific collective procedure to evaluate the effectiveness of the Board of Directors and its Committees.
- **Part C.1. 1.6. Level and structure of remuneration.** Until the time this Statement was drafted, there was no Remuneration Committee. The issue will be soon reviewed.

The Company does not implement any other corporate governance practices than the special practices of the Corporate Governance Code of SEV and the provisions of Law 3873/2010.

7.2 Main characteristics of the Internal Control and Risk Management Systems in relation to the preparation of the Financial Statements and financial reports

7.2.1 Description of main characteristics and details of the Internal Control and Risk Management Systems in relation to the preparation of the consolidated financial statements

The Internal Control System of the Company covers the control procedures involving the functioning of the Company, its compliance with the requirements of supervisory authorities, risk management and preparation of financial reports.

The Internal Audit Function controls the proper implementation of each procedure and internal control system regardless of their accounting or non-accounting content and evaluates the enterprise by reviewing its activities, acting as one service to Management.

The Internal Control System aims, among others, to secure the thoroughness and reliability of the data and information required for the accurate and timely determination of the Company's financial situation and the generation of reliable financial statements.

As regards the preparation of financial statements, the Company reports that the financial reporting system of "Hellenic Cables S.A.-Hellenic Cables Industry" uses an accounting system that is adequate for reporting to Management and external users. The financial statements and other analyses reported to Management on a quarterly basis are prepared on an individual and consolidated basis in compliance with the International Financial Reporting Standards, as adopted by the European Union for reporting purposes to Management, and also for the purpose of publication in line with the applicable regulations on a quarterly basis. Both administrative information and financial reports to be published include all the necessary details about an updated internal control system including analyses of sales, cost/expenses and operating profits as well as other data and indexes. All reports to Management include the data of the current period compared to the respective data of the budget, as the latter has been approved by the Board of Directors, and to the data of the respective period of the year before the report.

All published interim and annual financial statements include all necessary information and disclosures about the financial statements, in compliance with the International Financial

Reporting Standards, as adopted by the European Union, reviewed by the Audit Committee and approved in their entirety by the Board of Directors.

Controls are implemented with respect to: a) risk identification and evaluation as for the reliability of financial statements; b) administrative planning and monitoring of financial figures; c) fraud prevention and disclosure; d) roles and powers of executives; e) year closing procedure including consolidation (e.g. written-down procedures, access, approvals, agreements, etc) and f) safeguarding the data provided by information systems.

The internal reports to Management and the reports required as per Codified Law 2190/1920 and by the supervisory authorities are prepared by the Financial Services Division, which is staffed with adequate and experienced executives to this effect. Management takes steps to ensure that these executives are adequately updated about any changes in accounting and tax issues concerning both the Company and the Group.

The Company has established separate procedures as to how to collect the necessary data from the subsidiaries, and sees to the reconciliation of separate transactions and to the implementation of the same accounting principles by the Group companies.

7.2.2 Annual evaluation of corporate strategy, main business risks and Internal Control Systems

The Company's Board of Directors states that it has examined the main business risks facing the Group, as well as the Internal Control Systems. On an annual basis, the Board of Directors reviews the corporate strategy, main business risks and Internal Control Systems.

7.2.3 Provision of non-audit services to the Company by its legal auditors and evaluation of the effect this fact may have on the objectivity and effectiveness of mandatory audit, having also regard to the stipulations of Law 3693/2008

The legal auditors of the Company for the fiscal year 2011, i.e. "KPMG Certified Auditors A.E.", who have been elected by the Ordinary General Meeting of the Company's Shareholders on 16 June 2011, do not provide and have not provided non-audit services to the Company and its subsidiaries apart from those provided for in laws.

The Company employs the services of other auditors for other non-audit services, whose fees for 2011 totalled € 98,366.

7.3 Takeover bids - Information

- There are no binding takeover bids and/or rules of mandatory assignment and mandatory takeover of the Company's shares or any statutory provision on takeover.
- There are no third-party public offers to take over the Company's share capital during the last and current year.
- In case the Company decides to takes part in such a procedure, this will take place in the context of European laws and applicable Greek laws.

7.4 General Meeting of shareholders and rights of shareholders

A General Meeting is convened and functions in compliance with the stipulations of the Articles of Association and the relevant provisions of Law 2190/1920, as amended and in force today. The Company makes the necessary publications in line with the provisions of Law 3884/2010 and generally takes all steps required for the timely and thorough information of shareholders about how to exercise their rights. The latter is ensured by publishing the invitations to General Meetings and uploading them on the Company's website, the text of which contains a detailed description of shareholders rights and how these are exercised.

7.5 Composition and functioning of the Board of Directors, Supervisory Bodies and Committees of the Company

7.5.1 Role and responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the long-term strategy and operational goals of the Company and generally for control and decision-making in the context of the stipulations of C.L. 2190/1920 and the Articles of Association, and for the compliance with corporate governance principles.

The Board of Directors convenes at the necessary intervals so as to perform its duties effectively.

The role and responsibilities of the Board of Directors are summed up as follows:

- oversight and monitoring of Company operations as well as control of attainment of business goals and long-term plans;
- formulation and determination of Company core values and objectives;
- securing the alignment of the adopted strategy with Company goals.
- The Board of Directors ensures that there are no conflicts of interests and examines any incidents or cases of deviation from the policy involving information confidentiality;
- ensuring the reliability and approval of the Company's Financial Statements prior to their final approval by the Ordinary General Meeting;
- securing the implementation of its business activity on a daily basis through a special authorization system while the other issues falling under its scope are implemented by way of special decisions.
- The main powers of the Board's secretary are to support the Chairman and the body's general functioning.

The existing Board **of the Company** consists of 12 members of whom:
- 4 are executive (Vice-chairman & 3 Members)
- 6 are non-executive (Vice-chairman & other Members)
- 2 are independent, non-executive (other members)

The existing Board of Directors of Hellenic Cables S.A.-Hellenic Cables Industry consists of the following:

- Ioannis Batsolas, Chairman, executive member

- Konstantinos Laios, Vice chairman, non-executive member
- Alexios Alexiou, executive member
- Michael Diakogiannis: non-executive member
- Andreas Katsanos: non-executive member
- Andreas Kyriazis: independent, non-executive member
- Nikolaos Galetas: independent non-executive member
- Georgios Stergiopoulos, executive member
- Ronald Gee: non-executive member
- Wiedenmann Rudolf: non-executive member
- Iakovos Georganas: non-executive member
- Ioannis Stavropoulos, executive member

The members of the Board are elected for a one-year term by the General Meeting of shareholders. The existing Board of Directors of the Company was elected by the Ordinary General Meeting on 16 June 2011 and its term of office shall expire during the first half of 2012.

The Board of Directors met 55 times during 2011 with 9 of its 12 members having attended them in person.

7.5.2 Below are given the curriculum vitae of the Board members:

Ioannis Batsolas, Chairman

Mr. Batsolas Ioannis is a qualified electrical engineer of the KARLSRUHE University in West Germany and has been working in VIOHALCO Group since 1970. He has served as Quality Control Manager and Technical Manager of HELLENIC CABLES S.A. and also General Manager of Telecables SA from 1991 to date. He is also the Chairman on the Board of Directors of HELLENIC CABLES SA since 2005 to date and of TELECABLES SA from 2009 to date. He is a simple member in other Group companies. He is also a Secretary of the Association of Viotia Industries.

Konstantinos Laios: Vice-Chairman, non-executive member

Mr. Laios is a graduate mechanical-electrical engineer from the National Polytechnic University of Athens having made his postgraduate studies in Germany. He had worked in the Public Power Corporation where he assumed a senior management post. Since 1983 he has assumed various management posts in various companies of VIOHALCO Group. He is also the Chairman of the Board of Directors of ICME ECAB S.A. and Vice-chairman of TELECABLES SA.

Alexios Alexiou, executive member

Mr. Alexios Alexiou is a graduate of the Economics University of Piraeus and made his postgraduate studies in Financial Sciences in Strathclyde University. He has been working in VIOHALCO Group since 1996. He has worked as Financial Manager of HELLENIC CABLES

SA during 2002-2003, General Manager of ICME ECAB S.A. during 2003 – 2008 and General Manager of HELLENIC CABLES SA from 2009 to date.

Michael Diakogiannis, non-executive member

He is a graduate of Athens University of Economics and Business. He worked as Financial Manager of VIOHALCO VITROUVIT SA from 1967 to 1978. From 1979 to 1988 he worked as Financial Manager of HELLENIC CABLES SA. From 1989 to 2000 he worked as Financial Manager of VIOHALCO SA and from 2000 to date he is the General Manager of the same company.

Andreas Katsanos: non-executive member

Mr. Andreas Katsanos is a graduate of Piraeus Economics University and has been working in VIOHALCO Group since 1960. He has worked as supervisor of various Group companies and from 1978 to 1980 he held the post of General Manager in VIOTIA CABLES SA. From 1989 to date he is the Manager of the metal department of VIOHALCO Group companies. Mr. Katsanos had played a decisive role in the Bank of Greece adopting and applying in Greece hedging procedure (metal price volatility hedging), through the London Metal Exchange. He also participates in the Board of Directors of HALCOR SA.

Andreas Kyriazis, independent, non-executive member

Mr. Andreas Kyriazis is a graduate of the Chemistry Department of Physics and Mathematics School of Athens University. He has served as Chairman of the Central Union of Greek Chambers, the Union of Balkan Chambers, the Chamber of Commerce and Industry of Athens, the Hellenic Productivity Centre, the Hellenic Society of Business Administration, and the Association of Timber Industry. He has also served as Vice-chairman of the Union of the European Chamber of Commerce and Industry and General Secretary of the Union of Greek Chemists.

Nikolaos Galetas: independent, non-executive member

Mr. Nikolaos Galetas is a graduate of the Theology School of Athens University and studied in Technische Hochschule Wien while being a graduate engineer of the Electrical Engineering School of the National Polytechnic University of Athens. During his long career, Mr. Galetas held management posts in the Hellenic Development Bank (ETBA), Planning and Development Company (EPA) and the Hellenic Bank of Industrial Development Investments (ETEBA) where he also served as General Manager. Mr. Galetas has also served as Management Consultant to ETEVA and EFG EUROBANK PROPERTIES SA, while also being a member on the BoD of many companies including, among others, EFG EUROBANK PROPERTIES SA and ERT (Vice-chairman), and also in various subsidiaries of ETEBA Group where he assumed the post of Board Chairman during his long career in the said corporation. In addition, during the period 1990-92 he offered consulting services to the Ministries of Internal Affairs, Agriculture and Coordination.

Georgios Stergiopoulos, executive member

Mr. Georgios Stavropoulos is a graduate of Athens University of Economics and Business and has been working in VIOHALCO SA Group since 1971. He has served as Financial Manager of SANITAS AGENCY SA and many other Group companies. He is chairman of DIATOUR SA, vice-chairman of NOVAL SA and member on the Board of Directors of other Group companies.

Ronald Gee: non-executive member

Mr. Ronald Gee studied in Balliol College Oxford and has served as senior officer of the British Air Force during World War II. He is a member of the BoD of Hellenic Cables over the last 25 years. He has also served as commercial member of the London Metal Exchange in London for many years.

Rudolf Wiendenmann: non-executive member

Dr. Rudolf Wiendenmann has studied chemistry in Ludwig- Maximilians Universität München and has a PhD in natural sciences. From 1967 to 1976 he worked in the research and development team of SIEMENS in Germany. From 1976 to 1990 he worked as Director of various departments of SIEMENS while from 1991 to 1998 he held the post of Chairman of the energy cable department. In addition, during the period 1994-1997 he held the post of Chairman of the European Association of Cable Manufacturers (EUROPACABLE). He is also a Board member of ICME ECAB SA.

Iakovos Georganas: non-executive member

Mr. Iakovos Georganas studied in the University of Economics and Business (Athens, 1955) and in Harvard Business School (Advanced Management Program – spring 1979). He is non-executive vice-chairman of the Board of Directors of Piraeus Bank and Chairman of the Risk Management Committee. He has been an executive vice-chairman of the Board of Directors of the Bank since January 1992 to May 2004. He is also the Chairman of Hellenic Exchanges SA and a member on the Board of the Hellenic Telecommunications Organization SA, member on the Board of the Association of Greek Industries and Vice-chairman of the BoD of the Greek-Japanese Chamber of Commerce. He is also a member of the Board of various commercial, industrial, financing companies without executive powers. In July 1958 he joined the service of the Organization for Financing Financial Development, later renamed into ETBA bank, and withdrew after 32 years (31.01.1991) as Senior Deputy-Governor. He was a vice-chairman and member of the Hellenic Capital Market Commission from 12.01.1989 to 31.01.1991, a member of the Executive Committee of the Board of the Union of Hellenic Banks, a member of the Committee of Deputy Governors of Long-term Credit Institutes of the European Community and a member of the Board of Directors of the Foundation for Economic and Industrial Research (IOBE). He has also served as chairman of the Audit Committee of Piraeus Bank (June 2000 - August 2001).

Ioannis Stavropoulos, executive member

Mr. Ioannis Stavropoulos is a graduate of Piraeus University (former Higher Industrial School of

Piraeus) and has been working in VIOHALCO Group since 1972. He has served as Financial Manager of VITROUVIT SA (1978), General Manager of Hellenic Cables Mesologi SA (1989), General Manager of KEM SA (1998) and General Manager of SIDENOR SA (1999). He is also a member on the Board of other Group companies.

7.6 Audit Committee

7.6.1 Description of the composition, functioning, work, responsibilities and of the issues discussed during Committee meetings

The Audit Committee, which is elected and functions in line with Law 3693/2008 (Article 37), consists of three non-executive members of the Board of Directors. One of them is independent and his main task, in the context of the obligations described by the above law, is to support the Company's Board of Directors to fulfil its mission to safeguard the effectiveness of accounting and financial systems, audit mechanisms, business risk management systems; assure compliance with the legal and regulatory framework; and implement effectively Corporate Governance principles.

More specifically, the Audit Committee has the following responsibilities:

- To examine the effectiveness of all Management levels in relation to the safeguarding of the resources managed and their compliance with the Company's established policy and procedures;
- To evaluate the procedures and data in terms of adequacy as for the attainment of objectives and assess the policy and the program concerning the activity under review;
- To control periodically the various functions of different divisions or departments so as to ensure that their various functions are carried out regularly, comply with Management instructions, Company policy and procedures, and that they abide by Company objectives and standards of management practice;
- To review internal audit reports and specifically:
  - - to evaluate the adequacy of their extent;
  - - to confirm the accuracy of reports;
  - - to examine the adequacy of support to results.

The Audit Committee receives the following reports on audit activity:
- Extraordinary reports
- Financial audit quarterly reports
- Ordinary audit annual reports
- Corporate Governance Reports

The Audit Committee examines and ensures the independence of the Company's external auditors and takes cognizance of their findings and the Audit Reports on the annual or interim financial statements of the Company. At the same time, it recommends corrective actions and procedures so as to deal with any findings or failures in areas of financial reports or other important functions of the Company.

According to the Internal Regulation for its Operation, the Audit Committee consists of one independent and non-executive member of the Board of Directors and two non-executive members who have the necessary knowledge and experience for the Committee's work.

The existing Audit Committee consists of the following persons:

BoD members: Andreas Kyriazis: Board independent, non-executive member
Michael Diakogiannis: Board non-executive member
Andreas Katsanos, Board non-executive member

7.6.2 Number of Committee meetings and frequency of each member's participation in meetings

The Audit Committee met 4 times during 2011 having full quorum.

7.6.3 Evaluation of effectiveness and performance of the Committee

Until the time this Statement was drafted, no special procedures had been established to evaluate the effectiveness of the Audit Committee. Company Management will establish such procedures in the future.

8. CONCLUSIONS

Dear Shareholders, we presented account of the management of the financial year 2011, the risks and how these will be managed together with the prospects and development of the Company for 2012.

The Board of Directors of HELLENIC CABLES SA proposes to the General Meeting of shareholders to not distribute dividends from prior-period profits.

In conclusion, dear Shareholders, we would like first to express our gratitude for the trust that you have shown in the Company and we request you to approve the Company's Financial Statements, as well as the present report, for the fiscal year that ended on 31 December 2011.

Athens, 16 March 2012

The Chairman of the Board of Directors
Ioannis Batsolas

C. Audit Report by the Chartered Auditor-Accountant

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Audit Report by the Chartered Auditor Accountant

To the shareholders of the company “HELLENIC CABLES S.A.”

Report on the Individual and Consolidated Financial Statements

We have audited the attached individual and consolidated financial statements of HELLENIC CABLES S.A. (the “Company”) which consist of the individual and consolidated statement of financial position dated 31 December 2011, the individual and consolidated statements of total Income, changes in equity and cash flows for the year ended on that date and a summary of main accounting principles and other explanatory notes.

Management responsibility for the Individual and Consolidated Financial Statements

Management is responsible for the compilation and fair presentation of these individual and consolidated financial statements in accordance with the International Financial Reporting Standards, as adopted by the European Union, and in line with those internal checks and balances which Management considers necessary to make it possible to draw up individual and consolidated financial statements free of material misstatements due to fraud or error.

Auditor responsibility

It is our responsibility to express an opinion on those individual and consolidated financial statements in light of our audit. We conducted our audit in compliance with International Auditing Standards. These standards require that we comply with the code of conduct and that we design and carry out our audit so as to provide a fair assurance as to what extent the individual and consolidated financial statements are free of material inaccuracies.

The audit includes procedures to collect audit proof about the amounts and information contained in the individual and consolidated financial statements. The procedures are selected at the auditor's discretion and include an assessment of the risk of substantive inaccuracy in the individual and consolidated financial statements due to fraud or error. To estimate this risk, the auditor takes into account the internal checks and balances regarding the compilation and fair presentation of the individual and consolidated financial statements that aim to the design of audit procedures which are suitable under the circumstances and not to express an opinion on the effectiveness of the company’s internal checks and balances. The audit also includes an evaluation of the suitability of the accounting policies applied and the fairness of the assessments made by Management and an evaluation of the overall presentation of the individual and consolidated financial statements.

We consider that the audit proof which we have collected is adequate and suitable to support our opinion.

Opinion

In our opinion, the attached individual and consolidated financial statements give a fair view of the financial position of HELLENIC CABLES S.A. on 31 December 2011, its financial performance and cash flows for the accounting period which ended on that date in line with the International Financial Reporting Standards as adopted by the European Union.

Reference to other legal and regulatory issues

(a) The Management Report of the Board of Directors includes a statement of corporate governance which provides the information specified in Article 43a(3d-3f) of Codified Law 2190/1920.

(b) We have verified that the content of the Management Report of the Board of Directors corresponds to and matches that of the attached individual and consolidated financial statements in the context of the provisions of Articles 37, 43a and 108 of Codified Law 2190/1920.

Athens, 19 March 2012

KPMG CERTIFIED AUDITORS A.E.

Greek ICPA (SOEL) Reg. No 114

Nikolaos Tsiboukas, Chartered Auditor-Accountant
Greek ICPA (SOEL) Reg. No 17151

D. Annual Individual and Consolidated Financial Statements

ΕΛΛΗΝΙΚΑ ΚΑΛΩΔΙΑ Α.Ε.

ΕΛΛΗΝΙΚΗ ΒΙΟΜΗΧΑΝΙΑ ΚΑΛΩΔΙΩΝ Α.Ε.

ANNUAL INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS
as at 31 DECEMBER 2011

33, Amarousiou-Halandriou Av., Marousi, GR-15125

www.cablel.gr

Corp. Reg. No. 8246/06/B/11

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NOTES ON THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2011

Individual and Consolidated Statement of Financial Position

(Amounts in Euro)	Note	GROUP 2011	GROUP 2010	COMPANY 2011	COMPANY 2010
ASSETS					
Property, plant and equipment	16	142,699,539	87,868,776	69,658,858	64,321,620
Intangible assets	17	10,160,040	409,125	267,637	348,791
Investment property	18	2,270,174	2,152,565	2,270,174	2,152,565
Holdings in subsidiaries and affiliates	19	779,726	760,655	21,146,967	20,442,960
Other investments	20	1,807,484	1,807,484	1,807,484	1,807,484
Deferred tax assets	21	427,949	260,135	-	-
Other receivables	23	574,029	671,910	469,670	462,332
Total non-current assets		**158,718,941**	**93,930,650**	**95,620,790**	**89,535,752**
Inventories	22	92,165,783	68,392,515	45,580,792	38,355,431
Customers and other trade receivables	23	76,081,125	84,800,229	84,220,775	65,917,206
Derivatives	33	130,965	2,254,174	130,965	2,254,174
Cash and cash equivalents	24	18,983,379	11,820,842	12,562,333	7,984,168
Total current assets		**187,361,252**	**167,267,760**	**142,494,865**	**114,510,979**
Total assets		**346,080,193**	**261,198,410**	**238,115,655**	**204,046,731**
LIABILITIES					
EQUITY					
Share Capital	25	20,977,916	19,330,716	20,977,916	19,330,716
Share premium account	25	31,171,712	23,224,991	31,171,712	23,224,991
Reserves	26	22,194,269	23,728,775	24,517,887	19,251,320
Profit carried forward		40,951,919	37,662,811	17,868,281	14,422,452
Equity attributed to shareholders		**115,295,816**	**103,947,293**	**94,535,796**	**76,229,479**
Minority interest		819,327	751,489	-	-
Total equity		**116,115,143**	**104,698,782**	**94,535,796**	**76,229,479**
LIABILITIES					
Loans	28	65,405,241	31,327,847	38,016,667	26,827,754
Payables from financial leases		438,273	-	-	-
Payables for staff retirement indemnities	29	2,550,018	1,321,256	1,219,893	1,307,248
Grants		1,537,093	331,493	1,476,343	331,493
Provisions	32	200,000	200,000	200,000	200,000
Deferred tax liabilities	21	9,499,384	3,701,498	3,816,845	3,209,780
Total long-term liabilities		**79,630,009**	**36,882,094**	**44,729,748**	**31,876,275**
Loans	28	105,352,490	82,889,865	56,882,150	51,680,841
Payables from financial leases		675,683	-	-	-
Suppliers and other liabilities	31	43,728,263	36,126,868	41,440,651	44,093,146
Derivatives	33	578,605	600,801	527,310	166,990
Total short-term liabilities		**150,335,041**	**119,617,534**	**98,850,111**	**95,940,977**
Total liabilities		**229,965,050**	**156,499,628**	**143,579,859**	**127,817,252**
Total equity and liabilities		**346,080,193**	**261,198,410**	**238,115,655**	**204,046,731**

The attached notes on pages 6 to 57 are an integral part of the financial statements.

Individual and Consolidated Statement of Total Income

(Amounts in Euro)		**GROUP**		**COMPANY**	
	Note	**2011**	**2010**	**2011**	**2010**
Sales	**9**	414,593,446	351,883,981	326,655,026	257,628,647
Cost of Sales	**12**	(387,705,507)	(331,078,450)	(309,653,714)	(246,297,825)
Gross Profit		**26,887,939**	**20,805,531**	**17,001,312**	**11,330,822**
Other income	**10**	4,997,284	1,175,061	1,402,941	984,156
Distribution expenses	**12**	(7,325,092)	(7,028,920)	(4,029,916)	(4,026,014)
Administrative expenses	**12**	(8,340,927)	(7,937,515)	(4,961,100)	(4,897,563)
Other expenses	**11**	(4,403,344)	(1,874,295)	(1,560,180)	(1,068,413)
Operating results		**11,815,860**	**5,139,862**	**7,853,057**	**2,322,988**
Financial income	**14**	2,017,142	1,170,284	928,795	1,694,493
Financial expenses	**15**	(10,236,308)	(5,719,053)	(7,140,967)	(3,978,791)
Profits/Losses from associated companies		12,780	(23,349)	-	-
Earnings before income tax		**3,609,474**	**567,744**	**1,640,885**	**38,690**
Income tax	**21**	(278,420)	(173,499)	(546,228)	(212,581)
Year earnings/(loss)		**3,331,054**	**394,245**	**1,094,657**	**(173,891)**
Other income					
Foreign exchange differences from conversion		386,346	(1,216,680)	-	-
Change in fair value of cash flow hedging		(2,419,247)	987,422	(1,935,054)	486,644
Income tax to other income items		524,287	(61,528)	446,817	(95,790)
Total other income		**(1,508,614)**	**(290,786)**	**(1,488,237)**	**390,854**
Total period results		**1,822,440**	**103,459**	**(393,580)**	**216,963**
Profit/ (loss) attributed					
- to parent company shareholders		3,262,533	373,691	1,094,657	(173,891)
- to third parties		68,521	20,554	-	-
Year earnings/(loss)		**3,331,054**	**394,245**	**1,094,657**	**(173,891)**
Total results attributable					
- to parent company shareholders		1,754,601	93,358	(393,580)	216,963
- to third parties		67,839	10,101	-	-
Total period results		**1,822,440**	**103,459**	**(393,580)**	**216,963**
Earnings/ (loss) per share					
Basic earnings per share	**27**	0.117	0.014	0.039	(0.006)
Diluted earnings per share	**27**	0.117	0.014	0.039	(0.006)

The attached notes on pages 6 to 57 are an integral part of the financial statements.

Consolidated statement of changes in equity

(Amounts in Euro)	Share Capital and Share premium account	Consolidation foreign exchange differences	Fair value reserves	Other Reserves	Accumulated profit/ (loss)	Total	Minority interest	Total Owner's Equity
Balance as at 1 January 2010	**42,555,707**	**(3,459,624)**	**975,939**	**26,492,793**	**37,289,120**	**103,853,935**	**741,388**	**104,595,323**
Total period results								
Period earnings/(loss)	-	-	-	-	**373,691**	373,691	**20,554**	**394,245**
Other income								
Consolidation foreign exchange differences	-	(1,198,660)	-	-	-	(1,198,660)	(18,020)	(1,216,680)
Change in fair value of cash flow hedging	-	-	918,327	-	-	918,327	7,567	925,894
Total other income	-	(1,198,660)	918,327	-	-	(280,333)	(10,453)	(290,786)
Total period results	**-**	**(1,198,660)**	**918,327**	**-**	**373,691**	**93,358**	**10,101**	**103,459**
Transactions with shareholders directly posted to equity								
Dividend	-	-	-	-	-	-	-	-
Transfer of reserves/distribution	-	-	-	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-	-	-	-
Balances on 31 December 2010	**42,555,707**	**(4,658,284)**	**1,894,266**	**26,492,793**	**37,662,811**	**103,947,293**	**751,489**	**104,698,782**
Balance as at 1 January 2011	**42,555,707**	**(4,658,284)**	**1,894,266**	**26,492,793**	**37,662,811**	**103,947,293**	**751,489**	**104,698,782**
Total period results								
Year profits	-	-	-	-	**3,262,533**	3,262,533	**68,521**	**3,331,054**
Other income								
Consolidation foreign exchange differences	-	381,494	-	-	-	381,494	4,852	386,346
Change in fair value of cash flow hedging	-	-	(1,889,425)	-	-	(1,889,425)	(5,535)	(1,894,960)
Total other income	-	381,494	(1,889,425)	-	-	(1,507,931)	(683)	(1,508,614)
Total period results	**-**	**381,494**	**(1,889,425)**	**-**	**3,262,533**	**1,754,602**	**67,838**	**1,822,440**
Transactions with shareholders directly posted to equity								
Share capital increase	9,593,921	-	-	-	-	9,593,921	**-**	**9,593,921**
Transfer of reserves/distribution	-	-	-	(26,575)	26,575	-	**-**	**-**
Total transactions with shareholders	**9,593,921**	**-**	**-**	**(26,575)**	**26,575**	**9,593,921**	**-**	**9,593,921**
Balance as at 31 December 2011	**52,149,628**	**(4,276,790)**	**4,841**	**26,466,218**	**40,951,919**	**115,295,816**	**819,327**	**116,115,143**

The attached notes on pages 6 to 57 are an integral part of the financial statements.

Individual statement of changes in equity

(Amounts in Euro)	Share Capital and Share premium account	Fair value reserves	Other Reserves	Accumulated profit/ (loss)	Total Owner's Equity
Balance as at 1 January 2010	**42,555,707**	**1,144,164**	**17,716,302**	**14,596,343**	**76,012,516**
Total period results					
Period earnings/(loss)	-	-	-	(173,891)	**(173,891)**
Other income					
Change in fair value of cash flow hedging	-	390,854	-	-	390,854
Total other income	-	390,854	-	-	390,854
Total period results		**390,854**		**(173,891)**	**216,963**
Transactions with shareholders directly posted to equity					
Dividend	-	-	-	-	-
Transfer of reserves/distribution	-	-	-	-	-
Total transactions with shareholders	-	-	-	-	-
Balances on 31 December 2010	**42,555,707**	**1,535,018**	**17,716,302**	**14,422,452**	**76,229,479**
Balance on 1 January 2011	**42,555,707**	**1,535,018**	**17,716,302**	**14,422,452**	**76,229,479**
Total period results					
Year profits	-	-	-	1,094,657	**1,094,657**
Other income					
Change in fair value of cash flow hedging	-	(1,488,237)	-	-	(1,488,237)
Total other income	-	(1,488,237)	-	-	(1,488,237)
Total period results		**(1,488,237)**		**1,094,657**	**(393,580)**
Transactions with shareholders directly posted to equity					
Share capital increase	9,593,921	-	-	-	9,593,921
Absorption of subsidiary	-	-	6,781,379	2,324,597	9,105,976
Transfer of reserves/distribution	-	-	(26,575)	26,575	-
Total transactions with shareholders	**9,593,921**	**-**	**6,754,804**	**2,351,172**	**18,699,897**
Balance on 31 December 2011	**52,149,628**	**46,781**	**24,471,106**	**17,868,281**	**94,535,796**

The attached notes on pages 6 to 57 are an integral part of the financial statements.

Individual and Consolidated Statement of Cash Flow

	Note	GROUP 2011	GROUP 2010	COMPANY 2011	COMPANY 2010
(Amounts in Euro)					
Cash flows from operating activities					
Earnings before taxes		3,609,474	567,744	1,640,885	38,690
Plus / less adjustments for:					
Fixed assets depreciation	16, 17	9,369,472	8,120,982	5,423,385	5,135,175
Depreciation of grants	10	(335,125)	(36,516)	(335,125)	(36,516)
Provisions (mainly for receivables and stocks)		(400,892)	(52,725)	490,349	425,100
Results (income, expenses, profit and loss) from investment activity		419,130	(1,082,872)	337,358	(866,913)
Income from dividends			-	-	(619,601)
Interest charges and related expenses	15	9,238,165	4,801,210	6,142,823	3,153,777
(Profits)/ Losses from sale of fixed assets	10	(31,231)	(2,929)	(31,231)	(54,665)
Losses from the destruction/impairment of fixed assets		18,525	83,055	-	20,756
Decrease/(increase) in inventories		(21,798,420)	(8,779,230)	(7,187,237)	(3,037,832)
Decrease/(increase) in receivables		20,049,435	(21,553,603)	(1,681,101)	(16,121,381)
(Decrease)/ increase in payables (less loans)		(14,103,008)	8,343,889	(3,374,328)	9,220,465
Interest charges and related paid-up expenses		(8,972,995)	(4,656,228)	(5,877,652)	(3,008,795)
Taxes paid		(413,446)	(170,095)	(184,323)	(158,629)
Net cash flows from operating activities		**(3,350,916)**	**(14,417,318)**	**(4,636,197)**	**(5,910,369)**
Cash flows from investment activities					
Purchases of tangible assets	16	(8,113,609)	(5,402,456)	(5,105,289)	(3,987,767)
Purchases of intangible assets	17	(149,681)	(35,442)	(52,974)	(35,442)
Sales of tangible assets		85,870	5,623	85,870	105,621
Absorption of subsidiary		-	-	287,942	-
Acquisition of subsidiary	7	(3,114,495)	-	(3,430,000)	-
Dividend received		-	557,641	-	557,641
Interest received		116,563	258,542	211,116	19,234
Net cash flows from investment activities		**(11,175,352)**	**(4,616,092)**	**(8,003,335)**	**(3,340,713)**
Cash flows from financing activities					
Dividend paid to parent company shareholders			-		-
Loans obtained		106,421,745	68,545,083	54,223,554	36,305,220
Payment of loans		(85,442,316)	(49,038,797)	(37,833,332)	(21,743,880)
Grants received		827,475		827,475	-
Changes in financial lease funds		(109,648)	-	-	-
Net cash flows from financing activities		**21,697,256**	**19,506,286**	**17,217,697**	**14,561,340**
Net (decrease) / increase in cash and cash equivalents		**7,170,988**	**472,876**	**4,578,165**	**5,310,258**
Cash and cash equivalents in the beginning of the fiscal year		11,820,842	11,458,232	7,984,168	2,673,910
Foreign exchange differences in cash equivalents		(8,451)	(110,266)	-	-
Cash and cash equivalents at the end of the fiscal year	**24**	**18,983,379**	**11,820,842**	**12,562,333**	**7,984,168**

The attached notes on pages 6 to 57 are an integral part of the financial statements.

1. Information on the company

HELLENIC CABLES S.A. (the Company) is seated in Greece, 2-4 Mesogheion Ave, Athens Tower, B' Building, Athens. The Company's consolidated financial statements on 31 December 2011 include the Company, its subsidiaries and associates and will be hereinafter referred to as the Group.

The Group mainly operates in Greece and Romania by producing and distributing all types and forms of cables (energy, telecommunications, etc) and is part of HALCOR and VIOHALCO industrial group.

HELLENIC CABLES S.A. and its parent company HALCOR S.A. are listed on the Athens Stock Exchange. On 31 December 2011, HALCOR S.A.'s direct and indirect holding in HELLENIC CABLES was 72.53% (2010: 78.72%).

The financial statements of the Group of HELLENIC CABLES S.A. are included in the consolidated financial statements of HALCOR S.A. and VIOHALCO SA.

During 2011, the Company acquired the relevant company of the sector Fulgor S.A. and also absorbed its subsidiary TELECABLES SA.

Further information on the acquisition and absorption of the above companies is provided in Notes 7 and 8. Based on the foregoing, the prior-period items of the Group and the Company are not comparable with those of the ending year. For the purpose of comparability of prior-period items, Note 37 sets out proforma financial statements of the Group assuming that Fulgor was acquired on 31.12.2010.

2. PRESENTATION BASIS OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Statement of Compliance

The Financial Statements of the Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) and their interpretations, as adopted by the European Union.

The financial statements were approved by the Board of Directors on 16 March 2012 and have been uploaded on **www.cablel.gr**.

2.2 Basis of measurement

The financial statements have been prepared according to the principle of historical cost, save the financial derivative instruments that are presented at fair value.

2.3 Functional currency

The consolidated financial statements are presented in Euro which is the Company's functional currency. All financial information is given in Euro and has been rounded to the nearest unit, unless otherwise indicated in separate notes.

2.4 Use of estimates and assumptions

Preparing financial statements in line with IFRS requires estimate-making and the adoption of assumptions by the Management which may affect the accounting balances of assets and liabilities as well as the income and expense items. Actual results may vary from such estimates.

The estimates and relevant assumptions are reviewed at regular intervals. Any deviations of the accounting estimates are recognized in the period in which they are reviewed provided they concern solely the current period or, if they refer to the future periods, the deviations concern both current and future periods.

Information on the assumptions and estimates about uncertain facts that may generate corrective entries in the fiscal years to come are included in the following notes:

- Note 21: Offsetting tax losses carried forward
- Note 17: Main assumptions about future cash flow discount
- Note 29: Measurement of staff liabilities
- Note 32, 34: Provisions and contingent liabilities

3. SIGNIFICANT ACCOUNTING PRINCIPLES

The accounting principles cited below have been consistently applied to all periods presented in these financial statements and have also been consistently applied by all companies of the Group.

3.1 Consolidation basis

(a) Consolidation of entities

For an entity to be incorporated in the Group's consolidated financial statements, there applies the method of acquisition on the date on which the Group acquired control over the company. Control is exercised when the Group performs the administration task and manages the company's financial and operating activities to its benefit.
The Group measures goodwill on the subsidiary's acquisition date as follows:

- The fair value of the acquisition cost, less
- the fair value of the identifiable assets acquired and liabilities assumed.

In case of negative goodwill, profit is directly recognized to operating results.

Entity acquisition expenses, save those related to the issue of bond loans or shares, are posted to expenses when incurred.

(b) Acquisition of stake in non-controlled entities

Acquiring a stake in an entity which, however, does not provide the control thereof is accounted for as transaction with the entity's owners and, thus, no goodwill is recognized. Changes in the stake's acquisition cost, without affecting the participation percentage, take place in line with the applicable share in the company's equity.

(c) Acquisition of companies under common control

The merger of entities according to which stakes of enterprises controlled by the Group are accounted for as if the merger had taken place at the beginning of the previous year or at the time the control of the Group is acquired. For this reason, prior-period items are adjusted.

Asset and liability items that are acquired are recognized at book value while the equity acquired is added to the Group's equity and any loss or profit is directly posted to equity.

(d) Subsidiary companies

Subsidiaries are companies controlled by the Group. Control is established whenever the Group controls directly or indirectly the company's business and financial policy. The existence of potential voting rights that are exercisable is taken into account in order to determine whether the parent company exercises control over the subsidiaries. In the consolidated financial statements, the subsidiaries are included by applying the full consolidation method as of the date on which control over them was acquired.

(e) Loss of control over entities

When the control over a subsidiary is lost, the Group no longer consolidates such company and any surplus or deficit arising from the loss of control over such subsidiary is posted through profit or loss.

(f) Associates

Associates are companies on which the Group, directly or indirectly, exercises substantial influence in their business and financial policy but does not control them. Substantial influence is established when the Group has a participating stake ranging from 20% to 50%.

The associates are included in the consolidated financial statements by applying the equity method and are initially posted at cost. The cost of a stake includes the relevant acquisition expenses.

(g) Joint ventures

A joint venture shall mean a jointly controlled activity in which each member of the joint venture uses own assets to attain the joint activity. The consolidated financial statements include the assets over which the Group exercises control and the liabilities arising from the joint activity as well as the proportion of the joint venture's income and expenses.

(h) Crossing-out inter-company transactions

Inter-company balances as well as the profit or loss, income or expenses from intra-company transactions are crossed out when preparing the consolidated financial statements. Profit or losses from transactions with associates are crossed out depending on the participating share in such associate. Losses are crossed out like profits provided that there is no sign of impairment.

(i) Transactions in a foreign currency

Transactions that are carried out in a foreign currency are converted into Euro based on the exchange rates that were applicable on the day each transaction was carried out. The monetary assets and liabilities denominated in a foreign currency and carried at historical cost are converted into Euro using the exchange rates applying on such date. The resultant foreign exchange differences are posted to operating results. The non-monetary assets and liabilities denominated in a foreign currency and carried at their historical cost are converted into Euro using the exchange rates applying on the date the fair value was determined. The foreign exchange differences of non-monetary assets and liabilities arising from their valuation at year end are recognized in period results, save the differences arising from valuation of monetary items being part of an investment in a foreign subsidiary and of cash flow hedging financial assets which are directly posted to Equity.

(j) Foreign operations

The balance sheets of the companies operating in other countries and included in the consolidation are converted into Euro using the exchange rate applying on the balance sheet closing date. The income and expenses of the above companies are converted into Euro using the average value of the foreign currency during the year.
Foreign exchange differences are directly recognized in equity and presented in a special account in the Statement of Changes in Equity. When a foreign operation is disposed of, the reserve set aside in equity shall be transferred to operating results.

3.2 Financial assets

The Group classifies its financial assets in the following categories:
a) financial assets at fair value through profit or loss; b) available-for-sale assets; c) cash and cash equivalents; d) trade receivables and advance payments; e) loans and other payables.

The decision on investment classification is made at the time of their acquisition by the Group's Management.

Trade and other receivables are financial assets with fixed or predetermined payments. They are included in current assets unless their collection date exceeds 12 months from the balance sheet date, and thus are included in non-current assets.

Cash and cash equivalents include cash with banks and at hand as well as highly-liquid short-term investments like the proceeds of money market and bank deposits.

Loans are initially recorded at the cost which is the actual value of the loan taken out less any possible direct expenses that are required in order to complete the transaction. They are subsequently valuated at their non-depreciated cost based on the effective interest rate method. Any difference between the amount that has been collected (net of relative expenses) and the settlement value is recorded in the results during the term of the loan based on the effective interest rate method.

Loans are classified as short-term liabilities unless the company has the right to defer the settlement thereof for at least 12 months from the balance sheet date. In this case they are classified as long-term liabilities.

Financial assets at fair value through profit or loss: This category includes two sub-categories: financial assets of trading portfolio and other financial assets estimated at fair value. The items of this category concern mainly assets that have been acquired in order to be disposed of within a short period of time and those classified as such by the Management when acquired.

Available-for-sale investments: They concern investments that have no predetermined horizon of being held and may be liquidated at any time depending on the Group's liquidity needs, the changes in interest rates, exchange rates or share prices. The available-for-sale financial assets and the financial assets at fair value through profit or loss are estimated at fair value.

The difference of valuation for available-for-sale financial assets is posted to equity and subsequently reviewed in terms of impairment while the difference of valuation of financial assets at fair value through profit or loss is posted to operating results.

The purchases and sales of financial assets at fair value through profit or loss and available-for-sale financial assets are recognized on the trade date which corresponds to the date on which the Group is committed to buy or sell the asset in question.

Financial assets cease being presented in financial statements once the Group's right to receive inflow from the same expires or once the Group has transferred all the risks and rewards arising from their possession.
As regards every period in which the Group publishes financial statements, it evaluates whether there are objective indications of impairment of a financial asset or a group of financial assets.

Trade and other receivables are reviewed during each period financial statements are prepared so as to establish any indications of impairment. If there are such indications, the recoverable amount of the receivable is fixed and the difference from the initial receivable is posted as impairment to operating results.

Receivables value is impaired whenever their book value exceeds the amount of their recoverable value.

In the case of investments in equities classified under available-for-sale portfolio, a significant or protracted decrease in the security's fair value in relation to the initial acquisition cost is a sign of impairment. If there is such a sign for available-for-sale financial assets, the accumulated loss calculated as the difference between acquisition cost and current fair value less any impairment losses recognized during previous periods is transferred to results from shareholder’s equity. If at a subsequent period the fair value of a bond classified as available for sale increases and the increase can be objectively attributed to an event occurred after recognition in impairment results, the impairment shall be reversed through profit or loss. As regards shares, any subsequent increase in fair value is directly posted to equity.

The financial assets and liabilities are offset and the net amount is presented in the financial statements only when there is a legal right to offset the posted amounts accompanied by the intention for such offsetting.

3.3 Derivative financial instruments and hedge accounting

Derivative financial instruments are initially recognized at fair value on the date the contract is concluded and are subsequently recognized at their fair value. The fair value is taken from stock prices or is calculated using valuation techniques such as discounted cash flow analyses and option valuation models. Derivatives are recognized as receivables when their estimated fair value is positive and as liabilities when their estimated fair value is negative.

The fair value of a derivative upon initial recognition is equal to the cost of transaction.

Any derivatives embedded in other financial instruments are recognized as separate derivatives when the financial characteristics and their risks are not inextricably linked with those of the main contract and the main contract is not recognized at fair value through period profit or loss. These embedded derivatives are assessed at fair value and the changes thereof are posted to operating results.

The resultant profit or loss recognition method depends on whether the derivative is classified as hedging instrument and on the nature of the hedged items. The Group classifies specific derivatives either (a) as recognized assets’ or liabilities’ or commitment’s fair value hedging; or (b) as cash flow hedging which arises from a recognized asset or liability or from an anticipated transaction. The hedge accounting is used for derivatives thus classified if specific criteria are met.

When entering into transactions the Group records the proportion between hedged assets and hedging instruments as well as the risks and the management strategy applying to hedging transactions. Once the contract is concluded and at regular intervals the Group’s estimate regarding the efficiency of hedging is reported with respect to both fair value hedges and cash flow hedges.

Fair value hedging – Any changes in the fair value of derivatives classified and meeting the criteria of fair value hedging are recognized in operating results together with the changes in the fair value of hedged assets or liabilities to which the hedged risk refers.

When hedging does not meet the criteria of hedge accounting, the change in the fair value of the hedged item to which the effective interest rate method applies is amortized in results in line with the duration of the transaction. The change in the book value of a hedged share remains in accumulated profits/ losses of previous years until such share is sold.

Cash flow hedging – The change in the fair value of the effective part of the derivatives classified and qualified as cash flow hedging is posted to equity. The profits or losses related to the non-effective part of hedging are directly posted to results.

The amounts accumulated in equity are presented in operating results at the time the hedged items affect results.

When a hedging product expires or is sold or when hedging does not meet the criteria of hedge accounting, the accumulated profits or losses in shareholder's equity at such time remain in equity and are recognized through profit or loss when the anticipated transaction is recognized through profit or loss. When it is not expected that the transaction will take place, the accumulated profits or losses are transferred to results.

The change in the fair value of the derivatives not meeting hedge accounting criteria is directly posted to results.

3.4 Cash

Cash includes cash at hand and highly-liquid financial assets with a maturity date less than three months. They are not subject to significant risk due to the change in their fair value and are used by the Group to meet its short-term liabilities.

3.5 Share Capital

The share capital consists of ordinary registered shares and is recognized in equity. The expenses directly related to the Group's share capital increase are deducted from the proceeds of the issue and reduce accordingly shareholder's equity.
Dividends in ordinary shares are recognized as a liability in the period in which they have been approved by shareholders.

The acquisition cost of own shares including various expenses is deducted from shareholder's equity until own shares are sold or cancelled. In case own shares are sold or re-issued, the price will be directly posted to equity.

3.6 Tangible Assets

Real estate properties (plots, buildings) are used by the Group either for the Group's operations (production) or for administrative purposes. Tangible assets are valued at acquisition cost less accumulated depreciation. The acquisition cost includes expenses directly linked with their acquisition.

Lots are not depreciated. The other tangible assets are amortized using the straight-line method during their expected service life which is as follows:

Type of tangible asset	**Years of service life**
Buildings	20 – 50
Machinery – technical installations	7 – 17
Transportation equipment	4 – 15
Furniture and other fixtures	1 – 8

"Improvements to third-party properties" are depreciated over the shorter period between the service life of improvement and the leasing term of the leased property.

Assets service life is reviewed and readjusted if deemed necessary on the date the financial statements are prepared.

Tangible assets are reviewed when required for any impairment. The book value of the tangible asset is reduced to the recoverable amount in case the book value is higher. The recoverable amount shall be the highest of the fair value (less selling expenses) of the asset and the present value of the future net cash flows expected to be generated from the asset during its use.

Profit or loss upon sale is calculated by comparing the selling price with the non-depreciated book value and is recognized through profit or loss.

Certain tangible assets adjusted at fair value before 1 January 2004, i.e. transition date to IFRS, were valued at deemed cost which is now their acquisition cost. Their adjusted value shall mean the deemed cost.

3.7 Intangible assets

The Group has classified industrial property rights related to trademarks, licenses, software programs, goodwill and intangible assets arising from entity acquisition under such category.

Goodwill

Goodwill arises from the acquisition of subsidiaries and is presented under intangible assets. Reference to the measurement of goodwill upon initial recognition is made in Note 7.

Subsequent measurement

After the initial recognition, goodwill is measured at cost less accumulated impairment.

Concessions and industrial property rights

Concessions and industrial property rights include trademarks and licenses with specific service life and are estimated at their acquisition cost less depreciation. These assets are depreciated based on the straight-line method during their service life, which ranges between 10-15 years. Wherever intangible assets with indefinite service life have been recognized, these are measured at cost less accumulated impairment.

Software

Software licenses are estimated at their acquisition cost, less accumulated depreciation and any accumulated impairment. These assets are depreciated based on the straight-line method during their service life, which ranges from 3 to 5 years.

Expenditures that are required for the development and maintenance of software programs are recognized as an expense in the Income Statement in the year in which they are incurred.

3.8 Investment property

Any plots and buildings held by the Group for renting purposes or for capital gains or for both reasons are classified as investment property. Investment property is valued at acquisition cost less accumulated depreciation. If an investment property previously classified under fixed assets is sold, any amount is included in equity as “Adjustment reserves” and carried forward to profits. Profit or loss from the sale of investment property is calculated as the difference between the selling price and the non-depreciated value and is recognized in operating results.

3.9 Leases

3.9.1 Financial leases

When the Group is the lessee of fixed assets through a financial lease, these leased fixed assets are recognized as tangible assets and the respective liability for payment of rental fees as liability item. The leased tangible assets are initially posted in the lesser value between the fair value of the leased fixed asset and the present value of future rental fees. The leased fixed assets are depreciated over the service life of the fixed asset if it is higher than the term of the lease only if it is estimated that the leased fixed assets will devolve to the Group’s possession at the end of the lease. Each payment of rental fee is split into principal and interest. The amount of the rental fee related to principal reduces the liability while interest is posted to the income statement.

3.9.2 Operating leases

Those leases in which the lessor transfers the right to use an asset for a specified time period without, however, transferring the risks and rewards of such fixed asset’s ownership are classified as operating leases. In this case the Group does not post the leased property as asset. Payments made with respect to operating leases (rental fees corresponding to the use of the leased fixed asst, net of any incentives offered by the lessor) are recognized in the income statement proportionately throughout the term of the lease.

3.10 Inventories

Inventories are estimated at the lesser value between their acquisition cost or production cost and their net liquid value. The acquisition cost of the purchased inventories is specified by applying the annual weighted average cost method and includes all the expenses incurred for their acquisition and transport.
The production cost of produced inventories also includes the proportionate industrial overheads under normal conditions of productive operation.
The net liquid value of inventories is considered to be the estimated selling price thereof under normal business conditions less the estimated selling expenses.

3.11 Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed on the date each balance sheet is prepared and are adjusted so as to reflect the current value of the expense expected to be required to settle the obligation. A contingent liability is not recognized in financial statements but is disclosed unless the possibility of an outflow of resources is remote. A contingent asset is not recognized in financial statements but is disclosed when an inflow of economic benefits is probable.

A provision for restructuring is recognized when the Group has approved a detailed restructuring plan and such restructuring has already started or publicly announced. No future operating costs are recognized for raising provisions.

3.12 Employee benefits

3.12.1 Defined contribution plans

Liabilities for contributions to defined-contribution plans are recognized as expenses in profit or loss at the time they incur.

3.12.2 Defined-benefit plans

The Group's defined-benefit plans pertain to the legal obligation for paying to staff members a lump-sum indemnity on the day when each employee leaves employment due to retirement.

The liability recorded in the balance sheet for this plan is the current value of the commitment for the defined benefit depending on the employees' accrued right, in relation to the time it is expected to be paid.

The commitment of the defined benefit is calculated per annum by an independent actuary using the projected unit credit method. The discount rate corresponds to the European bonds index "Iboxx AA-rated Euro corporate bond 10+year".

3.13 Income

Sales of products: Income from sales of products and merchandise includes the fair value of their sale, net of Value Added Tax, discounts and returns. Sales of goods are recognized when the Group delivers the goods to its customers, the goods are accepted by the customers and the collection of the claim is reasonably guaranteed.

Provision of services: Income from the provision of services is accounted for in the period in which the services are rendered, based on their stage of completion in relation to all the services that shall be rendered.

Income from interest: Income from interest is recognized based on time proportion and with the use of the effective interest rate. When receivables are impaired, the book value thereof is reduced to their recoverable amount, which is the present value of the expected future cash flows discounted with the initial effective interest rate. Subsequently, interest is accounted for based on the same interest rate that is applied to the impaired (new book) value

3.14 Grants

A subsidy represents a contribution provided by the State in the form of resources transferred to an entity, in return for existing or future maintenance of certain resources relating to its operation. The above term does not include state aids which, due to their nature, are not measurable, or transactions with the State which are impossible to separate from an entity's ordinary transactions.

The Group recognizes state subsidies which meet the following criteria in aggregate: a) there is presumed certainty that the enterprise has complied or will comply with the terms of the subsidy; and b) the subsidy amount has been collected or its collection is probable. They are recorded at fair value and are systematically recognized in income, on the basis of correlating subsidies to the corresponding costs that are subsidized.

Any subsidies pertaining to assets are included in long-term liabilities as income in subsequent fiscal years and are recognized systematically and rationally in income over the service life of the fixed asset.

3.15 Payment of rental fees

Payments of operating leases are allocated as an expense to the income statement according to the direct method throughout the lease term. The received leasing subsidies are posted through profit or loss as an integral part of the expense throughout the lease term.

3.16 Financial income/expenses

Net financial expenses consist of loan interest charges that are calculated using the effective interest rate method, interest arising from invested cash, income from dividends, foreign exchange gains and losses as well as the profits and losses from hedging instruments posted to the income statement.

Accrued interest is posted to the income statement based on the effective interest rate method. Income from dividends is posted to the income statement on the date dividend distribution is approved.

3.17 Income tax

The income tax to operating results consists of the current year tax and deferred tax. Income tax is recognized in the year's operating results unless it is related to items directly recognized in equity and thus it is recognized in equity.

The current year tax is the expected tax liability over the taxable income using the applicable tax rates and any adjustment related to a prior period tax liability.

The deferred tax is calculated using the balance sheet method based on the temporary differences arising between the book value of the assets and liabilities included in the Financial Statements and the tax value attributed to such in accordance with tax laws. No deferred tax is calculated for the following temporary differences: goodwill that arises from acquisitions and is not deductible for tax purposes; initial recognition of assets or liabilities that do not affect book or tax profits; and differences related to investments in subsidiaries to the extent these will not be reversed in the near future. For deferred taxes to be determined, the enacted tax rates or the tax rates enacted on the balance sheet preparation date and applying on a subsequent date are used.

A deferred tax asset is recognized only to the extent it is probable that future taxable profits will suffice for offsetting temporary differences. The deferred tax asset is reduced in case it is probable that no tax benefit will occur.

To calculate the current and deferred tax, the Group takes into account the effect of unaudited fiscal years and any additional taxes that may arise from such audit. Group Management estimates that the provisions for unaudited fiscal years are adequate and have been based on the interpretative provisions of tax laws and the corresponding prior experience.

3.18 Earnings per share

The Group presents information on basic and diluted earnings per share for its ordinary shares in the financial statements. Basic earnings per share are calculated by dividing the net profit or loss corresponding to each share by the weighted average of ordinary shares. Diluted earnings are fixed by adjusting the net profit or loss corresponding to each share and the weighted average of ordinary shares representing the ordinary shares that may be issued, which consist of convertible bonds and stock options granted to employees.

3.19 Segment Reporting

A segment is a distinct part of the Group's activity and concerns either specific services or the production of specific products (business segment) or provides services to a specific economic environment (geographic segment) the scope, risks and benefits of which differ from the Group's other operating segments. The information provided in the financial statements per segment is based on the fact that the business segment is the main operating segment of the Group.

4. New standards of the International Financial Reporting Standards and Interpretations that have not been adopted

New standards have been issued or modifications of existing standards have taken place whose effective date is set, however, after 31 December 2010 and have not been taken into account for the preparation of these financial statements. None of these standards is expected to have a significant effect on the Group's financial statements save IFRS 9 "Financial instruments" which will become mandatory for financial statements in 2015, insofar as it is approved by the European Union, and may change the classification and measurement of financial assets. The Group is not expected to adopt this accounting standard earlier and, thus, the extent of its effect has not been estimated.

5 Definition of fair value

A series of accounting principles and reports of the Group depends on the calculation of fair value as for both financial and non-financial instruments.

The following methods were used to present assets and liabilities at fair values:

5.1 Fixed assets

The fair value of fixed assets is recognized in the consolidated financial statements as a result of the acquisition of an entity and its incorporation in the Group. The fair value of fixed assets is calculated on the basis of available market prices.
In each period of balance sheet preparation, the Group reviews the service lives of fixed assets and makes changes thereto when deemed necessary after reviewing their financial or operational obsolescence.

5.2 Intangible assets

The fair value of the intangible assets acquired upon acquisition of Fulgor, namely trade name and port usage license, were calculated by an independent assessor in compliance with the "Relief from Royalty" and "Excess Earnings" methods accordingly.

5.3 Investment property

The fair value of investment property is determined on the basis of an independent assessor's study, who takes cognizance of market prices, and the likelihood of a selling transaction taking place between knowledgeable parties. In case of lacking market prices, the assessment is based on the property's estimated leasing value.

5.4 Inventories

The fair value of the inventories acquired due to the acquisition of Fulgor was determined on the basis of their estimated selling price under regular market circumstances less the estimated necessary costs to sell.

5.5 Customers and other trade receivables

The fair value of customers and other trade receivables is determined as the present value of future cash flows discounted at the current market rate on the date the balance sheet is prepared.

6 Operating segments

The Group has 2 operating segments for reporting, as described below, which are considered to be the Group's strategic segments. These segments produce various products that are managed differently because they require different technology and promotion policy. For each one of the strategic segments, the Company Management reviews internal reports on a monthly basis. The summary below describes the operation of each operating segment of the Group.

CABLES – It includes power and telephone cables, as well as copper and aluminium conduits. The raw materials used are classified in two categories: Metal (copper, aluminium, steel wires) and plastic-rubber compounds (XLPE, EPR, PVC, etc)

ENAMELLED WIRES – Enamelled wires include copper wires, tin-plated copper conduits and enamelled wires used for winding. The raw materials used are copper in Φ8mm, tin in blooms, enamels and raw materials used for the manufacture of enamels.

Segment reporting for the year ended on 31 December is as follows:

Amounts in thousand Euro	**CABLES**		**ENAMELLED WIRES**		**OTHER**		**TOTAL**	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Non-Group sales	377,294	311,680	37,299	40,204	-	-	**414,593**	**351,884**
Intra-company sales	94,755	42,007	5,938	2,334	-	-	**100,693**	**44,341**
Financial income	-	-	-	-	2,017	1,170	**2,017**	**1,170**
Financial expenses	-	-	-	-	(10,236)	(5,719)	**(10,236)**	**(5,719)**
Profits/Losses from associated companies	-	-	-	-	13	(23)	**13**	**(23)**
Depreciation of fixed & intangible assets	8,940	7,662	429	459	-	-	**9,369**	**8,121**
Earnings per segment before interest and tax	11,236	4,285	580	855	(8,207)	(4,572)	**3,609**	**568**
Impairment of receivables and inventories	151	-	-	-	-	-	**151**	**-**
Total assets per segment	330,267	239,559	15,033	20,879	780	761	**346,080**	**261,199**
Capital expenditure	7,996	5,403	-	-	150	35	**8,146**	**5,438**
Total liabilities per segment	56,635	37,390	2,572	4,892	170,758	114,218	**229,965**	**156,500**

The reconciliation of results per operating segment is as follows:

Amounts in thousand Euro	**2011**	**2010**
Total profit/ (loss) of operating segments	3,268	1,017
Crossing out intra-company transactions	341	(449)
Earnings/(loss) before taxes	**3,609**	**568**

Geographical segment

(Amounts in thousand Euro)

	2011		**2010**	
	Sales	**Non-current assets**	**Sales**	**Non-current assets**
Greece	120,814	141,178	138,253	75,770
Romania	45,734	17,465	35,455	17,819
European Union	235,416	76	160,773	342
Other European countries	4,741	-	2,783	-
Asia	5,583	-	10,901	-
Africa	2,305	-	3,719	-
Total	**414,593**	**158,719**	**351,884**	**93,931**

7 Acquisition of subsidiary

On 29 July 2011 the parent HELLENIC CABLES acquired 100% of the shares of FULGOR S.A. which also operates in the field of cable production. Specifically, FULGOR has been operating in the manufacture of cables, bare conduits and also copper and aluminium wires since 1957 while also boasting considerable experience and know-how in the manufacture of added value products such as high voltage and submarine cables.

Its 21-acre premises are located at Sousaki, Korinthia. Its annual production capacity stands at 50,000 tons of cables and 45,000 tons of copper and aluminium wires. The company is also certified as per ISO 9001 management system and ISO 14001.

This acquisition will help the Group enhance its production base, strengthen its export activity and benefit from the synergies that will arise among the sales networks, supply chain, production and also research & development of new products while also entering a new field of activity, i.e. submarine cables, which is expected to offer it a new momentum, thus raising considerably its turnover.

As of the acquisition date, FULGOR participated in the Group's income by € 2,521,750 while its post-tax net results amounted to losses of € 1,293,290.
If FULGOR had been consolidated since the beginning of the year, the change in the Group income would be minimal since the company was inactive before being acquired while the Group results would be charged with losses of approximately € 10 million. To determine such amounts, Group Management assumed that Fulgor was acquired on 1 January 2011 and all adjustments required for determining the fair value of identifiable assets were calculated on such date.

Given that Fulgor was inactive since the second half of 2010 and had fallen under the arrangement procedure set out in Article 99 of the Code on Bankruptcy since December 2010, and owing to its increased loan liabilities, the acquisition cost stood at € 3,430,000 through payment in cash.

The identifiable assets acquired and liabilities assumed on the acquisition date are as follows:

Amounts in thousand Euro

Fixed assets	56,621
Intangible assets	9,710
Inventories	2,201
Customers and other trade receivables	1,490
Cash	316
Loan liabilities	(35,482)
Trade and other payables	(22,426)
Provisions	(2,495)
Deferred tax liabilities	(6,505)
Fair value of identifiable assets	**3,430**

To calculate the above identifiable assets and liabilities assumed, the provisions of Fulgor acquisition agreement were taken into account and the respective haircut of liabilities to the Banks and Suppliers took place while the company's liabilities to old shareholders were settled and all the necessary provisions for fixed assets, receivables and inventory impairment were raised.

Goodwill

No goodwill has been recognized in the consolidated financial statements owing to the acquisition since the acquisition cost coincides with the fair value of identifiable assets and is as follows:

		Amounts in thousand Euro
Total acquisition amount		3,430
Fair value of identifiable assets	(3,430)	
Goodwill		

Expenses for stake's acquisition

The expenses to acquire Fulgor stand at € 647,479 and mainly concern fees paid to lawyers, notaries public, auditors, taxes, etc, which are included in item "Other operating expenses" in the Statement of Total Income.

8 Absorption of subsidiary

During the fiscal year 2011, the parent company HELLENIC CABLES S.A. absorbed its wholly-owned subsidiary TELECABLES SA. Such absorption was based on the provisions of Law 1297/1972 and was approved by the Prefecture of Athens on 1 August 2011. The consolidation method applying to the subsidiary was based on cost.

Given that the parent company HELLENIC CABLES S.A. had control over the subsidiary TELECABLES S.A. by 100% from previous years, it considered its absorption as a common control transaction and incorporated it in the consolidated financial statements as if the absorption had taken place on 1 January 2010.

9 Sales

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Sale of merchandise and products	372,410,504	321,047,379	287,373,310	231,236,435
Other	37,595,314	22,808,242	32,853,583	19,947,470
Income from services	4,587,628	8,028,360	6,428,133	6,444,742
	414,593,446	**351,883,981**	**326,655,026**	**257,628,647**

10 Other income

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Income from rents	1,003,267	367,091	259,601	155,990
Depreciation of grants received	335,125	36,516	335,125	36,516
Income from provisions	2,650,669	149,900	133,231	147,462
Income from expenses imputed to third parties	108,644	73,770	527,909	143,216
Collections of indemnities	-	57,022	-	57,022
Profits from the sale of fixed assets	31,231	2,929	31,231	54,665
Prior period income	506,306	335,124	30,424	335,124
Other income	362,042	152,709	85,420	54,161
Total	**4,997,284**	**1,175,061**	**1,402,941**	**984,156**

11 Other expenses

Prior period expenses	(658,781)	(353,602)	(37,335)	(274,867)
Provisions for doubtful debts and inventory	(740,000)	(908,750)	(590,000)	(540,000)
Cost of subsidiary's inactivity	(1,926,585)	-	-	-
Taxes - duties	(109,004)	-	(109,004)	-
Subsidiary's acquisition expenses	(647,479)		(647,479)	-
Penalty clauses	(113,111)	(107,761)	(78,111)	(107,698)
Non-operating fixed assets depreciation	(108,503)	(357,459)	-	-
Other expenses	(99,881)	(146,723)	(98,251)	(145,848)
Total	**(4,403,344)**	**(1,874,295)**	**(1,560,180)**	**(1,068,413)**

12 Itemized expenses

(Amounts in Euro)

		GROUP		COMPANY	
	Note	**2011**	**2010**	**2011**	**2010**
Consumption of raw direct and indirect materials		275,405,157	246,576,894	227,917,677	182,511,656
Change of finished and semi-finished products		58,986,510	38,193,589	43,694,019	28,474,700
Personnel fees	**13**	30,607,902	26,872,229	18,902,324	18,504,111
Fees of third parties		6,971,052	7,162,392	8,104,730	6,723,880
Fixed & intangible assets depreciation		8,725,812	7,763,523	5,423,385	5,135,175
Third party benefits		6,344,027	4,571,891	4,095,191	3,896,091
Transportation		6,534,693	5,511,727	3,985,948	3,004,833
Rent		1,065,568	1,256,827	812,451	735,781
Insurance premiums		1,098,317	912,131	625,791	604,550
Provisions		-	5,884	-	-
Other		7,632,488	7,217,798	5,083,214	5,630,625
Total cost of goods sold, administration and distribution expenses		**403,371,526**	**346,044,885**	**318,644,730**	**255,221,402**

13 Personnel expenses

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Salaries and wages	23,534,480	21,278,770	14,754,309	14,604,128
Contributions to social security funds	6,083,622	5,184,534	3,567,627	3,501,848
Provisions for staff compensation due to retirement	989,800	408,925	580,388	398,135
	30,607,902	**26,872,229**	**18,902,324**	**18,504,111**

14 Financial income

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Interest	116,563	258,542	211,116	19,234
Foreign exchange differences	1,195,997	-	13,097	143,916
Dividends	-	-	-	619,601
Profit from foreign exchange swaps	704,582	911,742	704,582	911,742
	2,017,142	**1,170,284**	**928,795**	**1,694,493**

15 Financial expenses

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Interest charges and related expenses	9,238,165	4,801,211	6,142,823	3,153,777
Foreign exchange differences	-	92,828	-	-
Losses from foreign exchange swaps	998,143	825,014	998,144	825,014
	10,236,308	**5,719,053**	**7,140,967**	**3,978,791**

16 Property, plant and equipment

(Amounts in Euro)

	GROUP				
	Lots & buildings	**Transportation & mechanical equipment**	**Furniture and other fixtures**	**Fixed assets under construction**	**Total**
Acquisition cost					
Balance as at 01.01.2010	**55,743,272**	**78,316,522**	**6,907,343**	**10,134,268**	**151,101,405**
Additions	1,493,648	9,670,668	309,197	(6,071,058)	5,402,455
Sales/ Deletions of fixed assets	(26,459)	(84,803)	(47,944)	(1,033)	(160,239)
Transfer to intangible assets	-	-	-	(109,689)	(109,689)
Foreign exchange differences	(239,724)	(418,513)	(38,826)	(3,786)	(700,849)
Balance as at 31.12.2010	**56,970,737**	**87,483,874**	**7,129,770**	**3,948,702**	**155,533,083**
Balance as at 01.01.2011	**56,970,737**	**87,483,874**	**7,129,770**	**3,948,702**	**155,533,083**
Additions	1,171,645	5,856,128	486,199	482,029	7,996,001
Acquisition of subsidiary	29,139,968	36,190,363	344,931	-	65,675,262
Sales/ Deletions of fixed assets	-	(130,838)	(235,091)	-	(365,929)
Transfer to intangible assets	-	-	-	(153,446)	(153,446)
Foreign exchange differences	(153,160)	(282,997)	(21,269)	(1,301)	(458,727)
Balance as at 31.12.2011	**87,129,190**	**129,116,530**	**7,704,540**	**4,275,984**	**228,226,244**
Depreciation/ Impairment					
Balance as at 01.01.2010	**(18,664,049)**	**(36,471,880)**	**(5,351,115)**	-	**(60,487,044)**
Year depreciation	(1,765,069)	(5,626,493)	(313,477)	-	(7,705,039)
Sales/ Deletions of fixed assets	162,453	257,504	33,328	-	453,285
Foreign exchange differences	3,675	25,566	45,250	-	74,491
Balance as at 31.12.2010	**(20,262,990)**	**(41,815,303)**	**(5,586,014)**	-	**(67,664,307)**
Balance as at 01.01.2011	**(20,262,990)**	**(41,815,303)**	**(5,586,014)**	-	**(67,664,307)**
Year depreciation	(2,030,401)	(6,701,832)	(374,069)	-	(9,106,302)
Acquisition of subsidiary	(3,244,679)	(5,985,713)	(142,122)	-	(9,372,514)
Foreign exchange differences	105,398	199,011	19,244	-	323,653
Sales/ Deletions of fixed assets	-	62,801	229,964	-	292,765
Balance as at 31.12.2011	**(25,432,672)**	**(54,241,036)**	**(5,852,997)**	-	**(85,526,705)**
Non-depreciated value					
As at 01.01.2010	**37,079,223**	**41,844,642**	**1,556,228**	**10,134,268**	**90,614,361**
As at 31.12.2010	**36,707,747**	**45,668,571**	**1,543,756**	**3,948,702**	**87,868,776**
As at 01.01.2011	**36,707,747**	**45,668,571**	**1,543,756**	**3,948,702**	**87,868,776**
As at 31.12.2011	**61,696,518**	**74,875,494**	**1,851,543**	**4,275,984**	**142,699,539**

NOTES ON THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2011

	COMPANY				
	Lots & buildings	**Transportation & mechanical equipment**	**Furniture and other fixtures**	**Fixed assets under construction**	**Total**
Acquisition cost					
Balance as at 01.01.2010	**31,986,380**	**46,052,310**	**3,615,228**	**9,779,330**	**91,433,248**
Additions	1,042,651	8,768,456	296,843	(6,120,183)	3,987,767
Sales/ Deletions of fixed assets	-	(298,236)	(10,577)	(1,033)	(309,846)
Transfer to intangible assets	-	-	-	(88,200)	(88,200)
Balance as at 31.12.2010	**33,029,031**	**54,522,530**	**3,901,494**	**3,569,914**	**95,022,969**
Balance as at 01.01.2011	**33,029,031**	**54,522,530**	**3,901,494**	**3,569,914**	**95,022,969**
Additions	665,552	3,985,172	387,614	(50,657)	4,987,681
Absorption of subsidiary	5,848,805	3,329,032	193,379	-	9,371,216
Sales/ Deletions of fixed assets	-	(98,860)	(120,787)	-	(219,647)
Transfer to intangible assets	-	-	-	(54,104)	(54,104)
Balance as at 31.12.2011	**39,543,388**	**61,737,874**	**4,361,700**	**3,465,153**	**109,108,115**
Depreciation/ Impairment					
Balance as at 01.01.2010	**(5,785,443)**	**(17,655,257)**	**(2,655,398)**	-	**(26,096,098)**
Year depreciation	(1,155,787)	(3,477,303)	(210,296)	-	(4,843,386)
Sales/ Deletions of fixed assets	-	230,251	7,884	-	238,135
Balance as at 31.12.2010	**(6,941,230)**	**(20,902,309)**	**(2,857,810)**	-	**(30,701,349)**
Balance as at 01.01.2011	**(6,941,230)**	**(20,902,309)**	**(2,857,810)**	-	**(30,701,349)**
Year depreciation	(1,250,543)	(3,748,901)	(235,708)	-	(5,235,152)
Absorption of subsidiary	(1,264,426)	(2,223,274)	(190,064)		(3,677,764)
Sales/ Deletions of fixed assets	-	49,348	115,660	-	165,008
Balance as at 31.12.2011	**(9,456,199)**	**(26,825,136)**	**(3,167,922)**	-	**(39,449,257)**
Non-depreciated value					
As at 01.01.2010	**26,200,937**	**28,397,053**	**959,830**	**9,779,330**	**65,337,150**
As at 31.12.2010	**26,087,801**	**33,620,221**	**1,043,684**	**3,569,914**	**64,321,620**
As at 01.01.2011	**26,087,801**	**33,620,221**	**1,043,684**	**3,569,914**	**64,321,620**
As at 31.12.2011	**30,087,189**	**34,912,738**	**1,193,778**	**3,465,153**	**69,658,858**

17 Intangible assets

(Amounts in Euro)

GROUP

	Trade name	Port usage license	Trademarks & licenses	Software	Other	Total
Acquisition cost						
Balance as at 01.01.2010	**-**	**-**	**1,628,081**	**3,799,854**	**14,600**	**5,442,535**
Additions	-	-	4,362	31,080	-	35,442
Foreign exchange differences	-	-	-	(14,844)	-	(14,844)
Reclassifications from tangible assets	-	-	-	109,689	-	109,689
Balance as at 31.12.2010	**-**	**-**	**1,632,443**	**3,925,779**	**14,600**	**5,572,822**
Balance as at 01.01.2011			**1,632,443**	**3,925,779**	**14,600**	**5,572,822**
Additions	-	-		149,681	-	149,681
Acquisition of subsidiary	1,388,000	8,287,449			47,132	9,722,581
Foreign exchange differences	-	-	-	(10,785)	-	(10,785)
Reclassifications from tangible assets	-	-	17,776	135,669	-	153,445
Balance as at 31.12.2011	**1,388,000**	**8,287,449**	**1,650,219**	**4,200,344**	**61,732**	**15,587,744**
Depreciation/ Impairment						
Balance as at 01.01.2010	**-**	**-**	**(1,271,197)**	**(3,485,193)**	**(5,840)**	**(4,762,230)**
Year depreciation	-	-	(210,856)	(202,167)	(2,920)	(415,943)
Foreign exchange differences	-	-	-	14,476	-	14,476
Balance as at 31.12.2010	**-**	**-**	**(1,482,053)**	**(3,672,884)**	**(8,760)**	**(5,163,697)**
Balance as at 01.01.2011	**-**	**-**	**(1,482,053)**	**(3,672,884)**	**(8,760)**	**(5,163,697)**
Year depreciation	-	-	(102,982)	(152,998)	(7,189)	(263,169)
Acquisition of subsidiary	-	-	-	-	(10,516)	(10,516)
Foreign exchange differences	-	-	-	9,678	-	9,678
Balance as at 31.12.2011	**-**	**-**	**(1,585,035)**	**(3,816,204)**	**(26,465)**	**(5,427,704)**
Non-depreciated value						
As at 01.01.2010	**-**	**-**	**356,884**	**314,661**	**8,760**	**680,305**
As at 31.12.2010	**-**	**-**	**150,390**	**252,895**	**5,840**	**409,125**
As at 01.01.2011	**-**	**-**	**150,390**	**252,895**	**5,840**	**409,125**
As at 31.12.2011	**1,388,000**	**8,287,449**	**65,184**	**384,140**	**35,267**	**10,160,040**

	COMPANY			
	Trademarks & licenses	**Software**	**Other**	**Total**
Acquisition cost				
Balance as at 01.01.2010	**1,619,490**	**2,408,067**	**14,600**	**4,042,157**
Additions	4,362	31,080	-	35,442
Reclassifications from tangible assets	-	88,200	-	88,200
Balance as at 31.12.2010	**1,623,852**	**2,527,347**	**14,600**	**4,165,799**
Balance as at 01.01.2011	**1,623,852**	**2,527,347**	**14,600**	**4,165,799**
Additions		52,975	-	52,975
Absorption of subsidiary	8,590	296,444	-	305,034
Reclassifications from tangible assets	17,776	36,328	-	54,104
Balance as at 31.12.2011	**1,650,218**	**2,913,094**	**14,600**	**4,577,912**
Depreciation/ Impairment				
Balance as at 01.01.2010	**(1,262,606)**	**(2,256,773)**	**(5,840)**	**(3,525,219)**
Year depreciation	(210,856)	(78,013)	(2,920)	(291,789)
Balance as at 31.12.2010	**(1,473,462)**	**(2,334,786)**	**(8,760)**	**(3,817,008)**
Balance as at 01.01.2011	**(1,473,462)**	**(2,334,786)**	**(8,760)**	**(3,817,008)**
Absorption of subsidiary	(8,590)	(296,444)	-	(305,034)
Year depreciation	(102,982)	(82,331)	(2,920)	(188,233)
Balance as at 31.12.11	**(1,585,034)**	**(2,713,561)**	**(11,680)**	**(4,310,275)**
Non-depreciated value				
As at 01.01.2010	**356,884**	**151,294**	**8,760**	**516,938**
As at 31.12.2010	**150,390**	**192,561**	**5,840**	**348,791**
As at 01.01.2011	**150,390**	**192,561**	**5,840**	**348,791**
As at 31.12.2011	**65,184**	**199,533**	**2,920**	**267,637**

During 2011, the Group's parent company acquired 100% of the shares of Fulgor which operates in the sector of energy cables. No goodwill arose from such acquisition while the valuation of all assets of Fulgor at fair values on such acquisition date gave rise to two intangible asset items meeting the conditions set in IAS 38 for their recognition in the Group's consolidated financial statements. The fair value of the identified assets was determined by an independent assessor.

The trade name and the license to use the port at Sousaki, Korinthia were recognized as intangible assets since it was established that they will generate future benefits to the Group and their value may be measured reliably.

Specifically for the recognition of the above intangible assets, it was deemed that they met the following conditions:
a) They meet the legal-contractual criterion as they arise from notarial deeds or other legal right.
b) They are associated with future economic benefits that may flow to the company.
c) Their value may be reliably measured.
Valuation was based on established methods that apply in accordance with the international practice of intangible assets valuation.

“Fulgor” Trade name

The “Relief from Royalty" method applied to the valuation of trade name. The valuation was based on the sales of medium-voltage submarine cables and high-voltage land cables anticipated by Company Management during a five-year period, to which the appropriate royalty rates applied according to comparable transactions. Specifically, a royalty rate of 2.0% and 1.25% applied to medium-voltage submarine cables and high-voltage land cables respectively.
The discount rate applied to the discount of the cash flows arising from the application of the above method stands at 18.1% and is based on the estimated weighted average capital cost (WACC) of an entity operating in the international cable market, increased by the additional risk of the specific intangible asset.
The service life of the trade name was deemed indefinite. For this reason, the value of the said intangible asset was determined on a perpetual basis.

Port usage license at Sousaki, Korinthia

The “Multi-period Excess Earnings” method applied to the valuation of the port usage license. The valuation was based on the company’s business plan regarding the activity of medium and high-voltage submarine cables during 2012 – 2016, weighted by the company’s likely success in assuming projects launched in the context of domestic and international tenders for submarine cables during the above period. To apply the above method, the capital charges of all employed fixed assets contributing to the activity of submarine cables were calculated while the necessary new investments were taken into account.
The discount rate applied to the discount of the cash flows arising from the application of the above method stands at 19.1% and is based on the estimated weighted average capital cost (WACC) of an entity operating in the international cable market, increased by the additional risk of the specific intangible asset.
The service life of the port usage license was deemed indefinite. For this reason, the value of the said intangible asset was determined on a perpetual basis.

18 Investment property

Investment property concerns lots which were assessed at their fair value on the date of transition to IFRS, such value being also considered as deemed cost.

At regular intervals, the Company reviews the current value of the real estate properties.

19 Holdings in subsidiaries and associates

Investments in associates are shown at their acquisition cost and are broken down as follows:

2011

Name of Company	Holding percentage	Acquisition cost	Total assets	Total liabilities	Turnover	Earnings/ (loss)
Subsidiaries						
ICME-ECAB S.A.	98.59%	16,385,719	90,502,006	51,464,804	152,840,585	2,712,880
FULGOR SA	100%	3,430,000	74,492,891	69,804,900	19,046,233	(1,293,290)
LESCO OOD	100%	300,546	2,028,070	846,370	3,654,578	223,253
GENECOS S.A.	60%	81,362	3,323,207	2,813,000	11,724,213	64,113
LESCO ROMANIA	65%	10,157	100,773	15,296	268,050	7,467
DELAIRE	100%	25,796	36,406	7,570	620,000	845
ELECTRIC CABLE AGENCIES	100%	65,838	-	-	-	-
EDE S.A.	99.99%	106,218	87,783	642	-	(8,996)
Associates						
METAL GLOBE LTD	30%	-	379,474	979,606	99,637	(143,905)
STEELMET S.A.	29.56%	140,880	5,844,468	4,101,488	14,968,729	156,970
METAL AGENCIES LTD	33%	593,251	22,073,001	21,503,667	99,200,382	(75,378)
COPPERPROM Ltd.	40%	7,200	49,529	46,257	42,295	(3,303)
Total		**21,146,967**	**198,917,608**	**151,583,600**	**302,464,702**	**1,640,656**

2010

Name of Company	Holding percentage	Acquisition cost	Total assets	Total liabilities	Turnover	Earnings/ (loss)
Subsidiaries						
ICME-ECAB S.A.	98.59%	16,385,719	79,344,634	38,510,056	123,194,502	518,749
TELECABLES	100%	2,729,593	12,687,522	327,513	488,351	96,095
LESCO OOD	100%	300,546	1,397,080	430,510	2,808,254	312,095
GENECOS S.A.	60%	81,362	3,860,202	3,414,108	11,106,556	23,370
LESCO ROMANIA	65%	10,157	92,882	14,082	317,011	26,441
DELAIRE	100%	25,796	37,561	9,570	682,000	953
ELECTRIC CABLE AGENCIES	100%	65,838	-	-	-	-
EDE S.A.	99.99%	106,218	96,470	332	-	(2,408)
Associates						
METAL GLOBE LTD	30%	-	1,261,590	1,714,109	2,659,287	(172,944)
STEELMET S.A.	29.56%	140,880	5,645,156	3,928,235	16,101,950	49,486
METAL AGENCIES LTD	33%	593,251	27,339,794	26,714,181	91,059,805	(19,362)
COPPERPROM Ltd.	40%	3,600	45,387	38,812	39,629	(14,157)
Total		**20,442,960**	**131,808,278**	**75,101,508**	**248,457,345**	**818,318**

Joint Ventures

The following joint venture exists on 31 December 2011: “JOINT VENTURE NEXANS – HELLENIC CABLES – FULGOR – PUBLIC POWER CORPORATION 2009’, which was consolidated using the proportional consolidation method, in which the parent company has a holding percentage of 33.3%. It is noted that the participating companies undertake proportionately the income and expenses of the joint venture.

20 Other investments

Other investments concern holdings in domestic and foreign companies with holding interests less than 20%. These investments have been qualified as available-for-sale financial assets.

The main investments of this category that are shown at acquisition cost are:

Company	2011	Holding percentage	2010	Holding percentage
TEPRO METAL A.G	1,378,341	12.68%	1,378,341	12.68%
DIA.VI.PE.THIV	218,136	5.53%	218,136	5.53%
OTHER	211,007		211,007	
	1,807,484		**1,807,484**	

21 Income tax

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Current tax	(772,900)	(201,632)	(184,323)	(258,629)
Deferred taxation	494,480	28,133	(361,905)	46,048
	(278,420)	**(173,499)**	**(546,228)**	**(212,581)**

Current tax

According to the applicable tax regime in Greece, total earnings of societes anonyme are taxed by 20% (2010: 24%).

In Greece, taxable results are considered provisional until tax authorities audit the books and particulars of the companies and the respective tax returns. Therefore, Group companies remain liable to additional taxes and penalties that may be imposed following such an audit. Based on historical data from previous tax audits, the Group has raised the relevant provision for contingent liabilities for the unaudited fiscal years 2009 and 2010 which total € 200,000 (2010: € 200,000).

Based on a new tax law and the relevant ministerial decision that applies to the balance sheets closing on 30 June 2011 and thereafter, the tax audit of companies that must be necessarily controlled by legal auditors or audit companies will be conducted by such persons. In case the Tax Compliance Certificate issued by legal auditors or audit companies does not express any reserves, the fiscal year is considered examined in tax terms and no provisions for open fiscal years must be raised.

The Company has assigned the tax audit for the fiscal year 2011 to KPMG and the tax compliance certificate is expected to be issued during May 2012.

The fiscal years that have not been audited in tax terms up to 2010 will be audited by tax authorities based on the rules and procedures that applied up to the application of the aforementioned law.

Reconciliation of applicable tax rate:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Earnings/(loss) before taxes	**3,609,474**	**567,744**	**1,640,885**	**38,690**
Tax calculated using the applicable tax rates 20% (2010: 24%)	**(721,895)**	**(136,258)**	(328,177)	(9,286)
Differences from tax audit	**-**	**(100,000)**	-	(100,000)
Reserves from fixed assets value adjustment:	**73,844**	**(2,821)**	113,353	-
Tax rate change	**39,266**	**-**	19,555	-
Permanent tax differences	**42,249**	**(388,038)**	(166,636)	55,334
Effect of the difference in the tax rates of subsidiaries on the tax	**146,176**	**88,377**	-	-
Additional taxes paid	**(184,323)**	**-**	(184,323)	(158,629)
Tax losses of subsidiaries	**326,263**	**365,241**	-	-
Comprehensive income tax of the fiscal year	**(278,420)**	**(173,499)**	**(546,228)**	**(212,581)**
Applicable tax rate	**7.7%**	**30.5%**	**33.3%**	**549%**

Deferred tax

The deferred tax assets and liabilities originate from the following:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Deferred tax assets				
Property, plant and equipment & intangible assets	2,144,620	1,911,941	-	-
Reserves from fixed assets value adjustment:	(1,648,696)	(1,648,696)	-	-
Other	552	552	-	-
Derivatives	(68,527)	(3,662)	-	-
	427,949	**260,135**	-	-
Deferred tax liabilities				
Property, plant and equipment	(9,779,063)	(4,312,762)	(4,550,919)	(3,819,867)
Tax losses	6,669,813	868,006	373,948	868,006
Crossing out bond loan	(2,481,215)	-	-	-
Bond loan discount	(3,222,306)	-	-	-
Financial leases	263,605	-	-	-
Intangible assets	(1,648,064)	-	-	-
Derivatives	(44,508)	(495,165)	79,269	(495,165)
Provisions	864,369	218,126	304,852	218,126
Other	(122,015)	20,297	(23,995)	19,120
	(9,499,384)	**(3,701,498)**	**(3,816,845)**	**(3,209,780)**
Net liabilities from deferred taxes	**(9,071,435)**	**(3,441,363)**	**(3,816,845)**	**(3,209,780)**

Change in year temporary differences **GROUP**

(Amounts in Euro)

	Balance at 01.01. 2011	Recognized through profit or loss	Recognized to shareholders equity	Acquisition of subsidiary	Balance 31.12.2011
Property, plant and equipment	(2,400,821)	374,447	-	(5,608,069)	(7,634,443)
Reserves from fixed assets value adjustment:	(1,648,696)	-	-	-	(1,648,696)
Tax losses	868,006	746,507	-	5,055,300	6,669,813
Crossing out bond loan	-	-	-	(2,481,215)	(2,481,215)
Bond loan discount	-	-	-	(3,222,306)	(3,222,306)
Financial leases	-	-	-	263,605	263,605
Intangible assets	-	-	-	(1,648,064)	(1,648,064)
Derivatives	(498,827)	-	380,338	-	(118,489)
Provisions	218,126	(489,616)	-	1,135,859	864,369
Other	20,849	(136,858)	-	-	(116,009)
	(3,441,363)	**494,480**	**380,338**	**(6,504,890)**	**(9,071,435)**

Change in year temporary differences **GROUP**

(Amounts in Euro)

	Balance 01.01.2010	Recognized through profit or loss	Recognized to equity	Balance 31.12.2010
Property, plant and equipment	(2,230,851)	(166,231)	(3,739)	(2,400,821)
Reserves from fixed assets value adjustment:	(1,648,696)	-	-	(1,648,696)
Tax losses	470,875	397,131	-	868,006
Derivatives	(223,419)	(217,619)	(57,789)	(498,827)
Provisions for doubtful debts	205,063	13,063	-	218,126
Other	19,060	1,789	-	20,849
	(3,407,968)	**28,133**	**(61,528)**	**(3,441,363)**

Change in year temporary differences **COMPANY**

(Amounts in Euro)

	Balance at 01.01.2010 2011	Recognized through profit or loss	Recognized to shareholders equity	Absorption of subsidiary	Balance 31 .12.2011
Property, plant and equipment	(3,819,867)	(39,075)	-	(691,977)	(4,550,919)
Provisions	218,126	86,726	-		304,852
Derivatives	(495,165)	127,617	446,817		79,269
Tax losses	868,006	(494,058)	-		373,948
Other	19,120	(43,115)			(23,995)
	(3,209,780)	**(361,905)**	**446,817**	**(691,977)**	**(3,816,845)**

Change in year temporary differences **COMPANY**

(Amounts in Euro)

	Balance at 1 January 2008 2010 2010	Recognized through profit or loss	Recognized to equity	Balance 31.12.2010
Property, plant and equipment	(3,664,422)	(155,445)	-	(3,819,867)
Provisions for doubtful debts	205,063	13,063	-	218,126
Derivatives	(181,756)	(217,619)	(95,790)	(495,165)
Tax losses	470,875	397,131	-	868,006
Other	10,202	8,918	-	19,120
	(3,160,038)	**46,048**	**(95,790)**	**(3,209,780)**

Tax losses from offsetting

The losses carried forward per company included in the consolidation are as follows:

	2008	2009	2010	2011	Total
HELLENIC CABLES S.A.	-	2,001,630	1,772,315	(1,904,172)	1,869,773
FULGOR SA	548,466	13,803,702	9,909,443	7,206,039	31,467,650
	548,466	**15,805,332**	**11,681,758**	**5,301,867**	**33,337,423**

22 Inventories

Group and Company inventories are broken down as follows:

(Amounts in Euro)	GROUP		COMPANY	
	2011	2010	2011	2010
Raw direct and indirect materials, spare parts & consumables	**34,656,104**	**19,820,425**	**16,651,546**	**12,750,494**
Finished products	**24,600,972**	**17,015,195**	**13,855,672**	**7,712,619**
Semi-finished products	21,998,365	18,665,754	8,082,175	9,116,120
Merchandise	**5,391,409**	**5,833,800**	3,013,923	3,882,201
Work in progress	**3,214,171**	**3,158,521**	2,984,777	3,158,521
Down payments for the purchase of stocks	**907,245**	**2,608,771**	**552,204**	**1,295,408**
By-products & deposits	1,397,517	1,290,049	**440,495**	**440,068**
	92,165,783	**68,392,515**	**45,580,792**	**38,355,431**

Inventories are presented at their net liquid value which is their expected selling price less the costs required for such sale.

23 Customers and other trade receivables

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Trade receivables	42,774,101	55,672,172	27,553,278	41,090,437
Cheques and notes receivable	6,765,178	11,138,763	4,134,056	8,351,814
Receivables from affiliated companies	6,814,584	4,532,940	27,116,307	5,722,507
Other tax claims	-	293,819	-	-
Other debtors	19,046,854	12,913,155	25,156,874	10,519,048
Other advance payments	680,408	249,380	260,260	233,400
Guarantees	206,998	199,691	206,998	199,691
Other receivables	367,031	472,219	262,672	262,641
	76,655,154	**85,472,139**	**84,690,445**	**66,379,538**
Current assets receivables	76,081,125	84,800,229	84,220,775	65,917,206
Non-current assets receivables	574,029	671,910	469,670	462,332
	76,655,154	**85,472,139**	**84,690,445**	**66,379,538**

The Group has entered into receivables assignment agreements with financial institutions without any right of recourse. On 31 December 2011, the assigned receivables amount to € 39,912,546 (2010: 20,567,561).

It has also entered into credit insurance agreements so as to minimize doubtful debts from the non-collection of posted receivables (Note 33.1).

24 Cash and cash equivalents

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Cash at hand	38,632	14,266	24,699	12,152
Deposits with banks	18,732,878	11,806,576	12,537,634	7,972,016
Blocked deposits	**211,869**	-	-	-
	18,983,379	**11,820,842**	**12,562,333**	**7,984,168**

Of the above amounts, the sums of € 4,752 as cash at hand and € 1,409,087 as deposits with banks concern foreign currency and have been valuated at the Euro/ foreign currency rate on 31 December 2011. Any foreign exchange differences were posted to operating results.

The foreign currency accounts have been broken down on a case-by-case basis as follows:

	GROUP	COMPANY
	Euros	**Euros**
Cash at hand:		
- RON	4,752	-
	4,752	**-**
Deposits with banks:		
- USD	70,777	8,296
- GBP	279,324	114,171
- RON	1,058,986	-
	1,409,087	**122,467**
	1,413,869	**122,467**

25 Share Capital

(Amounts in Euro)

The Company's share capital amounts to € 20,977,916 divided into 29,546,360 common registered shares traded on the Athens Stock Exchange.
On 7 September 2011, the General Meeting of the Company's shareholders decided to increase its share capital following the agreement concluded with various banks in order to settle the debts of Fulgor, such agreement anticipating the waiver of old shareholders in favour of lending banks. The share capital increase and share premium account stood at € 9,593,921 and were completed on 7 February 2012. Specifically, 2,320,000 new ordinary registered shares were issued which started being traded on the ASE on 7 March 2012. On 31 December 2011, the Company registered receivables from new shareholders and raised accordingly the share capital since it believed that the new shareholders had the contractual obligation to take part in the share capital increase.

The share premium account amounting to € 31,171,712 is a supplement to the share capital and arose from the issue of shares in exchange for cash at a value higher than their nominal value.

26 Reserves

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Statutory reserve	4,458,987	4,458,987	3,385,929	2,693,012
Reserves from the valuation of derivatives	4,842	1,894,266	46,780	1,535,018
Special reserves	6,949,096	6,975,671	8,295,404	6,975,671
Untaxed reserves	15,058,135	15,058,135	12,789,774	8,047,619
Foreign exchange differences	(4,276,791)	(4,658,284)	-	-
	22,194,269	**23,728,775**	**24,517,887**	**19,251,320**

Statutory reserve: According to the Greek company law, companies are obliged to withhold 5% of their net annual post-tax profits to form statutory reserve until the balance of such statutory reserve is equal to or reaches at least 1/3 of the share capital. This reserve is not available for distribution but can be used to offset losses.

Special reserves: Special reserves have been set aside according to special provisions of incentive laws and especially refer to the Company's participation in the financing of investments falling under incentive laws. After the lapse of ten years from completion of the investments they concern, the Company may transfer them to a balance carried forward or capitalize them.

Untaxed reserves: The untaxed reserves have been set aside according to special provisions during previous years and originate from untaxed income. In case this reserve is distributed, it will be taxed using the tax rate applying at such time.

As of 31 December 2011, the Company realized investments in the amount of approximately € 8.2 million, which are subject to incentive law 2601/2010. Pursuant to this law, the Company has the right to form, from accounting profits that it will earn in future years, an untaxed reserve equal to 70% of the aforementioned investments. Such entitlement will expire from year 2012 to 2014. As of 31 December 2011, the Company realized investments in the amount of approximately € 1.8 million, which are subject to incentive law 3299/2004. Pursuant to this law, the Company has the right to form, from accounting profits that it will earn in future years, an untaxed reserve equal to 100% of the aforementioned investments. This entitlement shall expire during the year 2018.

Consolidation foreign exchange differences: Consolidation foreign exchange differences concern the differences arising from the conversion of the subsidiaries' financial statements which are in a foreign currency into the parent company's currency which is Euro.

27 Basic and diluted earnings per share

Basic earnings

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Post-tax profits/ (loss) correspond to the parent company's shareholders	3,262,533	373,691	1,094,657	(173,891)
Weighted average of shares	27,963,675	27,226,360	27,963,675	27,226,360
Basic earnings per share	**0.1167**	**0.014**	**0.0391**	**(0.006)**

Basic earnings per share are calculated by dividing the net profits attributable to ordinary shareholders by the weighted average of ordinary shares.

Diluted earnings

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Post-tax profits/ (loss) correspond to the parent company's shareholders	3,262,533	373,691	1,094,657	(173,891)
Weighted average of shares	27,963,675	27,226,360	27,963,675	27,226,360
Diluted earnings per share	**0.1167**	**0.014**	**0.0391**	**(0.006)**

Diluted earnings per share are calculated after adjusting the weighted average of existing ordinary shares during the year by the potentially issued ordinary shares. Any options that have not been exercised yet have been calculated as potentially issued ordinary shares. The weighted average of shares remains the same with that relating to basic earnings because the average market price is less than the exercise price of options. More information on options is given in Note 30.

28 Loan liabilities

Long-term and short-term liabilities are broken down as follows:

(Amounts in Euro)

	GROUP		COMPANY	
	2011	2010	2011	2010
Long-term payables				
- Bank loans	**4,500,081**	**7,500,000**	**-**	**-**
- Bond loans	**85,616,225**	**64,661,087**	**59,727,755**	**64,661,087**
of which payable in the following fiscal year	**(24,711,065)**	**(40,833,240)**	**(21,711,088)**	**(37,833,333)**
	65,405,241	**31,327,847**	**38,016,667**	**26,827,754**
Short term payables				
- Bank loans	**74,047,481**	**45,056,532**	**35,171,062**	**13,847,508**
- Bond loans	**31,305,009**	**37,833,333**	**21,711,088**	**37,833,333**
	105,352,490	**82,889,865**	**56,882,150**	**51,680,841**
Total loan liabilities	**170,757,731**	**114,217,712**	**94,898,817**	**78,508,595**

Terms and time schedule of loan repayment

	GROUP				
				31.12.2011	**31.12.2010**
	Currency	**Average interest rate 2011**	**Repayment year**	**Nominal value**	**Nominal value**
- Short-term	**Euros**	**5.37%**	**2012**	**75,493,076**	**32,049,820**
- Long-term	**Euros**	**2.01%**	**2012-2027**	**81,516,771**	**31,327,847**
-Short term instalment	**Euros**	**4.08%**	**2012**	**24,711,065**	**40,833,240**
- Short-term	**USD**	**5.15%**	**2012**	**587,823**	**1,148,872**
- Short-term	**GBP**	**6.21%**	**2012**	**872,386**	**627,736**
- Short-term	**RON**	**8.23%**	**2012**	**3,688,140**	**8,230,197**
				186,869,261	**114,217,712**

				COMPANY	
				31.12.2011	**31.12.2010**
	Currency	**Average interest rate 2010**	**Repayment year**	**Nominal value**	**Nominal value**
- Short-term	**Euros**	**6.82%**	**2012**	**35,171,062**	**13,847,508**
- Long-term	**Euros**	**4.17%**	**2012-2014**	**38,016,667**	**26,827,754**
-Short term instalment	**Euros**	**4.17%**	**2012**	**21,711,088**	**37,833,333**
				94,898,817	**78,508,595**

During 2011 the Company entered into new ordinary bond loan agreements, which were fully assumed by Banks and amounted to € 33 million, of which € 3.8 million are of short-term duration.

The parent company HELLENIC CABLES undertook negotiations with the lending banks of the subsidiary Fulgor to have its debts of € 64 million settled. The agreement included the provision of a bond loan up to € 42 million and a bond loan up to € 22 million. Based on the implementation agreement signed in 2012, the amount of € 22 million was settled through repayment of € 9.6 million which arose from the increase in Fulgor's share capital in which HELLENIC CABLES participated exclusively, as unique shareholder. The balance of the existing debt was crossed out. To find the increase funds, HELLENIC CABLES undertook an equal share capital increase through the issue of 2,320,000 ordinary registered shares which were made available to the lending banks of Fulgor, since the old shareholders' pre-emptive right was abolished.

Due to the special terms of the bond loans of € 42 million, the Group undertook a valuation based on the effective interest rate, which generates benefits of € 16 million.

Mortgages totalling € 49 million have been raised on properties so that the subsidiary Fulgor could assume the bank loans.

29 Liabilities for personnel benefits

According to IFRS, the liabilities of the Company to the social security funds of its employees are split into defined-contribution and defined-benefit plans.

Pursuant to Greek labour law, employees are entitled to compensation in the event of their discharge or retirement, the amount of which varies depending on their salaries, their years of service and the manner in which they withdraw from the company (discharge or retirement). Employees who resign or are justifiably dismissed are not entitled to an indemnification. The due indemnification in the event of retirement is equal to 40% of the amount that that would have been payable in the event of an unjustified discharge. The amount of indemnification that is finally paid by the Company is fixed after taking into account the past service and the remuneration of employees.

It is considered that a liability concerns a defined-contribution plan when its accrued part is regularly computed. This practice is similar with the practice provided for by the applicable Greek laws, namely payments of employer contributions to social security funds for the service offered by employees.

As for the plans falling under the category of defined benefits, IFRS have established certain requirements in relation to the valuation of the existing obligation as well as the principles and actuarial assumptions that should be followed when estimating the liability arising from such plans. The liability that is posted is based on the projected unit credit method which calculates the present value of the accrued liability.

As regards the foreign companies of the Group, it is noted that based on the laws applying in those countries no retirement compensation is stipulated for their employees.

NOTES ON THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2011

The liabilities for personnel indemnification were specified through an actuarial study. The following tables set out the composition of net expenditure for the relevant provision posted in the results of years 2009 and 2011 respectively.

Provision for personnel indemnification recognized through profit or loss:

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Current value of liability	2,349,815	1,378,703	1,221,959	1,364,130
Accumulated unrecognized actuarial loss	200,203	(57,447)	(2,066)	(56,882)
Liability in the Balance Sheet	**2,550,018**	**1,321,256**	**1,219,893**	**1,307,248**

Changes of the relevant provision are as follows:

	GROUP	COMPANY
Balance of liabilities on 01.01.2010	**1,314,755**	**1,295,732**
Year provision	408,925	398,135
Year payments	(402,424)	(386,619)
Balance as at 31.12.2010	**1,321,256**	**1,307,248**
Balance of liabilities on 01.01.2011	**1,321,256**	**1,307,248**
Acquisition of subsidiary	1,514,891	-
Year provision	989,800	580,388
Year payments	(1,275,929)	(667,743)
Balance as at 31.12.2011	**2,550,018**	**1,219,893**

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Current service cost	132,469	110,674	96,018	109,977
Interest against the liability	89,241	76,539	61,959	76,054
Cost of additional benefits	779,865	216,927	421,440	207,357
Depreciation under actuarial study	(11,775)	4,785	971	4,747
Total recognition through profit or loss	**989,800**	**408,925**	**580,388**	**398,135**

Main assumptions of actuarial study

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Discount rate	4.6%	4.7%	4.6%	4.7%
Percentage of salary future increase	2.5%	3.0%	2.5%	3.0%
Average remaining working life (years)	17.36	16.22	16.52	16.22

30 Share-based payments

The Company has adopted a share option plan up to 1.97% of the number of common registered shares that are outstanding at the time of adoption (530,600 options), adjusted to future changes in the number of shares into which the share capital is divided, under the following terms and conditions:

(a) Beneficiaries of stock option plan: Members of the Board of Directors, persons employed by the Company or any of its affiliated companies.

(b) Option exercise price: The exercise price has been set as the closing price of the Athens Stock Exchange during the first fifteen days of June 2002, in other words € 2.97 per option.

(c) Exercise of options: Options are secured gradually by 10% annually, beginning from the first business day of November 2002 until, and including, the first business day of November 2011. The above secured options are exercised from the first business day of November 2006 until, and including, the first business day of November 2013. Following this closing date any option that is not exercised is cancelled.

Of the above options, by 31 December 2011, 318,360 had been exercised.

The movement of options is as follows:

	Number of options	**Exercise price (€)**
Pending on 1 January 2010	**106,120**	**2.97**
Secured during the year	53,060	**2.97**
Balance on 31 December 2010	**159,180**	**2.97**
Exercised during the year	-	**2.97**
With a right to exercise on 31 December 2010	**159,180**	
Secured during the year	53,060	**2.97**
Balance on 31 December 2011	**212,240**	**2.97**
Exercised during the year	-	
With a right to exercise on 31 December 2011	**212,240**	**2.97**

During the year, the 53,060 options that could be exercised were not exercised.

31 Suppliers and other liabilities

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Suppliers	25,897,443	25,779,936	15,128,308	21,375,192
Payables to affiliates	7,026,544	4,201,861	21,735,069	18,271,592
Transit credit balances	1,100,531	1,099,013	418,611	433,696
Sundry creditors	3,368,559	1,108,756	1,102,428	1,045,079
Accrued expenses	1,078,308	736,094	1,078,308	726,974
Advance payments from customers	926,679	563,936	883,620	522,860
Social security funds	2,874,748	811,000	795,751	807,030
Dividends payable	8,904	8,904	8,904	8,904
Unearned and deferred income	8,223	10,210	-	-
Other payables	1,438,324	1,807,158	289,652	901,819
	43,728,263	**36,126,868**	**41,440,651**	**44,093,146**

32 Provisions

(Amounts in Euro)

	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Balance as at 1/1	**200,000**	**100,000**	**200,000**	**100,000**
Year provisions	-	100,000	-	100,000
Used provisions	-	-	-	-
Balance as at 31/12	**200,000**	**200,000**	**200,000**	**200,000**

The above provisions concern the unaudited fiscal years of the parent company for the fiscal years 2009 and 2010, which are set out in note 21.

33 Financial instruments

Financial risk management

General

The Group is exposed to the following risks from the use of its financial instruments:

- Credit Risk
- Liquidity risk
- Market risk

This paragraph presents information regarding the Group's exposure to each of the above risks, the Group's objectives, the policies and procedures it applies for the calculation and management of risks, as well as the management of the Group's capital. Additional quantitative information on such disclosures is included throughout the consolidated financial statements.

The Board of Directors bears the overall responsibility for the creation and supervision of the Group's risk management framework.

The Group's risk management policies are applied in order to identify and analyze the risks that the Group is exposed to and set audit points and risk-taking limits. The risk management policies and relevant systems are periodically examined so as to take into account any changes in the market and the Group's activities.

The Internal Audit Department carries out ordinary and extraordinary audits with respect to the application of audit points and risk management procedures the findings of which are disclosed to the Board of Directors.

Credit Risk

Credit risk is the risk that the Group will incur financial loss if a client or third counterparty to a transaction on a financial instrument fails to meet its contractual obligations mainly arising from receivables from customers and investments in securities.

Customers and other trade receivables

The Group's exposure to credit risk is affected mainly by the specific characteristics of each individual customer. The statistics associated with the Group's customer base, including the default risk that exists in a specific market and country where customers are in operation, have a limited effect on credit risk since there is no geographic concentration of credit risk. No customer participates in Group income by more than 10% while no customer has any open balance than 10% of all receivables.

The Board of Directors has laid down a credit policy which requires that all new customers are scrutinized individually as regards their creditworthiness before the Group's normal payment and delivery terms and conditions are proposed to them. The creditworthiness test made by the Group includes the examination of bank sources regarding customers.

Credit limits are set for each customer which account for the maximum open balance a customer may have without the approval of the Board of Directors, which are reviewed every quarter. Any customers not complying with the average of the Group's creditworthiness criteria may hold transactions with the Group solely based on prepayments or letters of guarantee.

Most of the Group's customers hold long-lasting transactions with the Group and no losses have incurred. In monitoring customer credit risk, customers are grouped depending on their credit characteristics, their geographical region, the market in which they operate, the aging profile of their receivables and the existence of any previous financial difficulties. Any customers marked as "high risk customers" are placed in a special list of customers and all future sales to them must be paid for in advance and approved by the Board of Directors.

The Group does not require guarantees for sales from trade and other receivables save the case of exports where letters of guarantee are required.

Customer credit lines are normally determined based on the insurance limits obtained for them from insurance companies and then receivables are insured based on such credit lines.

According to the customer's history and capacity, in order to secure its receivables, the Group requests real guarantees or collateral (i.e. letters of guarantee), when possible.

The Group raises a special impairment provision in specific cases of exposure to risk, which represents its estimate about losses incurred with respect to trade and other receivables and investments.

Investments

Investments are classified by the Group pursuant to the purpose for which they were acquired. The Management decides on the appropriate classification of the investment during the time such was acquired and reviews the classification on each presentation date.

The Management estimates that there will be no default in connection with such investments.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to fulfil its financial liabilities upon maturity. The Group's approach to liquidity management is to secure, as much as possible, that it will always have sufficient cash to meet its obligations upon maturity both under normal and adverse circumstances without incurring unacceptable losses or jeopardizing the Group's reputation.

To prevent liquidity risks, when preparing its annual budget, the Group estimates its cash flows for one year. The Group also estimates such cash flows every quarter so as to ensure that it holds sufficient cash and cash equivalents to meet its operating needs, including the fulfilment of its financial liabilities. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

Market risk

Market risk is the risk of fluctuations in market prices, such as exchange rates, interest rates and raw material prices which can have an effect on the Group's results or the value of its financial instruments. Market risk management is aimed at controlling the Group's exposure to such risk within a framework of acceptable parameters, with a parallel optimization of performance in risk management.

The Group bases both its purchases and sales on stock prices/indices linked to the prices of copper and other metals which are used by the Group and included in its products. The risk from the fluctuation of metal prices is covered with hedging (futures contracts and options on the London Metal Exchange – LME). The Group, however, does not use hedging instruments for the entire stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through inventories depreciation.

Foreign exchange risk

The Group is exposed to foreign exchange risk in connection with its sales and purchases and its loans issued in a currency other than the functional currency of the Group companies, which is primarily the Euro and Romanian RON.

The main bank loans of the Group are denominated in Euro and RON and have been assumed by Group companies using Euro and RON as functional currency. Loan interest is in the same currency as that used in the cash flows arising from the Group's operating activities, which is mainly the Euro and RON.

As regards other financial assets and liabilities denominated in foreign currencies, the Group secures that its exposure to foreign exchange risk is kept at an acceptable level by buying or selling foreign currencies at current exchange rates when deemed necessary to deal with short-term imbalances.

The Group's investments in subsidiaries are not hedged, since those foreign exchange positions are considered as long term in nature.

Interest rate risk

The Group obtains funds for its investments and its working capital through bank loans, and thus debit interest is charged to its results. Any upward trend of interest rates will have a negative effect on results since the Group will bear additional borrowing costs.
The Group uses financial instruments (Interest Rate Swaps) to mitigate the risk of fluctuations in interest rates.

Capital management

The policy applied by the Board of Directors includes the maintenance of a robust capital basis, in order to keep the Group trustworthy among investors, creditors and market players, and allow the future development of the Group's activities. The Board of Directors monitors return on equity, which is defined by the Group as the net profits divided by the total net worth, exclusive of non convertible preferred shares and minority interest. The Board of Directors also monitors the level of dividends distributed to holders of ordinary shares.

The Group does not have a specific own share purchasing plan.

There have been no changes in the approach adopted by the Group concerning capital management during the fiscal year.

Neither the Company nor any of its subsidiaries are subject to capital liabilities imposed by external factors.

Total borrowing of the Group and the Company in relation to its equity on the reference date is as follows:

(Amounts in thousand Euro)

	GROUP		**COMPANY**	
	2011	**2010**	**2011**	**2010**
Total loans	170,758	114,218	94,899	78,509
Less: Cash	(18,983)	(11,821)	(12,562)	(7,984)
Net borrowing	151,775	102,397	82,337	70,525
Total equity	116,115	104,698	94,536	76,229
Debt to equity ratio	**1.3**	**0.97**	**0.87**	**0.93**

33.1 Credit Risk

Exposure to credit risk

The book value of financial assets represents the maximum exposure to credit risk. On the reference date the maximum exposure to credit risk was:

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Other investments	1,807,484	1,807,484	1,807,484	1,807,484
Derivatives	130,965	2,254,174	130,965	2,254,174
Trade receivables	56,353,863	71,343,875	58,803,641	55,164,758
Cash and cash equivalents	18,983,379	11,820,842	12,562,333	7,984,168
Total	**77,275,691**	**87,226,375**	**73,304,423**	**67,210,584**

Maximum exposure to credit risk for the receivables from customers on the balance sheet date per geographical region was:

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Greece	21,401,860	32,248,151	40,222,393	30,126,033
Romania	9,578,187	8,213,824	2,271,910	1,983,227
Other EU countries	21,349,995	29,769,468	15,220,905	22,112,953
Other countries	4,023,822	1,112,432	1,088,433	942,546
Total	**56,353,864**	**71,343,875**	**58,803,641**	**55,164,758**

The balance of the receivables from customers on the reference date refers solely to wholesale customers.

Impairment losses

The maturity of trade receivables on the reference date was:

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Up to date	53,385,565	64,810,753	57,112,294	50,444,556
Overdue up to 6 months	2,363,016	5,292,139	1,138,607	3,542,466
Over more than 6 months	605,283	1,240,983	552,740	1,177,736
Total	**56,353,864**	**71,343,875**	**58,803,641**	**55,164,758**

An impairment provision has been raised for doubtful debts, which is broken down as follows:

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Balance as at 1 December	**2,320,264**	**2,155,407**	**1,576,804**	**1,163,220**
Year impairment	714,354	908,750	590,000	540,000
Deletions	(774,830)	(734,963)	(582,281)	(126,416)
Absorption of subsidiary	-		368	
Acquisition of subsidiary	2,721,883		-	-
Foreign exchange difference	(4,712)	(8,930)	-	-
Balance as at 31 December	**4,976,959**	**2,320,264**	**1,584,891**	**1,576,804**

The greatest part of the receivables from customers is insured by insurance companies in case collection thereof fails. During the year 2011, the indemnities collected from insurance companies owing to the above coverage amounted to € 2,942,574 (2010: 677,832).

33.2 Liquidity risk

Below is given the contractual maturity of financial liabilities without including the proportionate interest:

	GROUP			
(Amounts in Euro)	**Balance sheet value 31.12.2011**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Bank loans	75,547,585	74,047,481	1,500,104	-
Corporate bond loans	95,210,146	31,305,009	34,116,667	29,788,470
Suppliers and other liabilities	43,728,263	43,728,263	-	-
	214,485,994	**149,080,753**	**35,616,771**	**29,788,470**

Derivatives (Analysis per category)	**Balance sheet value 31.12.2011**	**Nominal value 31.12.2011**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Interest rate swaps (in €)	(72,490)	6,250,000	5,000,000	1,250,000	-
Foreign exchange forward contracts (in USD)	14,978	(180,392)	(180,392)	-	-
Foreign exchange forward contracts (in GBP)	(475,207)	9,939,226	9,939,226	-	-
Lead derivatives contracts	(14,781)	220,048	220,048		
Aluminium derivatives contracts	113,157	1,921,383	1,921,383	-	-
Copper derivatives contracts	(13,297)	(451,554)	(451,554)	-	-
	(447,640)	**17,698,711**	**16,448,711**	**1,250,000**	**-**

	GROUP			
(Amounts in Euro)	**Balance sheet value 31.12.2010**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Bank loans	49,556,625	45,056,532	4,500,093	-
Corporate bond loans	64,661,087	37,833,333	17,911,087	8,916,667
Suppliers and other liabilities	36,126,868	36,126,868	-	-
Total	**150,344,580**	**119,016,826**	**22,411,087**	**8,916,667**

Derivatives (Analysis per category)	**Balance sheet value 31.12.2010**	**Nominal value 31.12.2010**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Interest rate swaps (in €)	(166,990)	11,250,000	10,000,000	1,250,000	-
Foreign exchange forward contracts (in USD)	(13,442)	(1,104,614)	(1,104,614)	-	-
Foreign exchange forward contracts (in GBP)	172,802	11,754,080	11,754,080	-	-
Lead derivatives contracts	(7,398)	1,000,000	1,000,000	-	-
Aluminium derivatives contracts	(64,767)	1,040,006	1,040,006	-	-
Copper derivatives contracts	1,733,168	(8,431,560)	(8,431,560)	-	-
	1,653,373	**15,507,912**	**14,257,912**	**1,250,000**	**-**

COMPANY

(Amounts in Euro)	**Balance sheet value 31.12.11**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Bank loans	35,171,062	35,171,062	-	-
Corporate bond loans	59,727,755	21,711,088	34,116,667	3,900,000
Suppliers and other liabilities	41,440,651	41,440,651	-	-
Total	**136,339,468**	**98,322,801**	**34,116,667**	**3,900,000**

Derivatives (Analysis per category)	**Balance sheet value 31.12.2011**	**Nominal value 31.12.2011**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Interest rate swaps (in €)	(72,490)	6,250,000	5,000,000	1,250,000	-
Foreign exchange forward contracts (in USD)	14,978	(180,392)	(180,392)	-	-
Foreign exchange forward contracts (in GBP)	(469,798)	9,939,226	9,939,226	-	-
Aluminium derivatives contracts	90,792	1,012,568	1,012,568	-	-
Copper derivatives contracts	40,173	(1,421,448)	(1,421,448)	-	-
	(396,345)	**15,599,954**	**14,349,954**	**1,250,000**	**-**

COMPANY

(Amounts in Euro)	**Balance sheet value 31.12.2010**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Bank loans	13,847,508	13,847,508	-	-
Corporate bond loans	64,661,087	37,833,333	17,911,087	8,916,667
Suppliers and other liabilities	44,093,146	44,093,146	-	-
	122,601,741	**95,773,987**	**17,911,087**	**8,916,667**

Derivatives (Analysis per category)	**Balance sheet value 31.12.2010**	**Nominal value 31.12.2010**	**Up to <1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**
Interest rate swaps (in €)	(166,990)	11,250,000	10,000,000	1,250,000	-
Foreign exchange forward contracts (in USD)	(13,442)	(1,104,614)	(1,104,614)	-	-
Foreign exchange forward contracts (in GBP)	172,802	11,754,080	11,754,080	-	-
Lead derivatives contracts	-	-	-	-	
Aluminium derivatives contracts	48,258	(781,203)	(781,203)	-	-

Copper derivatives contracts	2,046,556	(11,000,621)	(11,000,621)	-	-
	2,087,184	**10,117,642**	**8,867,642**	**1,250,000**	**-**

The Company has approved credit lines with collaborating banks and is not expected to face liquidity problems to meet its short-term liabilities.

33.3 Foreign exchange risk

Exposure to foreign exchange risk

The exposure of the Group to foreign exchange risk is as follows:

(Amounts in Euro) **GROUP**

31.12.2011	**EURO**	**USD**	**GBP**	**RON**	**OTHER**	**TOTAL**
Customers and other trade receivables	63,414,898	304,744	6,067,472	6,294,011	-	76,081,125
Loans	(165,609,382)	(587,823)	(872,386)	(3,688,140)	-	(170,757,731)
Suppliers and other liabilities	(36,186,136)	(388,773)	(576,986)	(6,546,977)	(29,392)	(43,728,263)
Cash and cash equivalents	17,569,540	70,777	279,324	1,062,445	1,293	18,983,379
	(120,811,080)	**(601,075)**	**4,897,424**	**(2,878,661)**	**(28,099)**	**(119,421,490)**
Derivatives for hedging of the above risks (Nominal Value)	-	180,392	(9,939,226)	-	-	(9,758,834)
	(120,811,080)	**(420,683)**	**(5,041,802)**	**(2,878,661)**	**(28,099)**	**(129,180,324)**

(Amounts in Euro) **GROUP**

31.12.2010	**EURO**	**USD**	**GBP**	**RON**	**OTHER**	**TOTAL**
Customers and other trade receivables	69,452,588	241,029	9,673,707	5,432,905	-	84,800,229
Loans	(104,210,907)	(1,148,872)	(627,736)	(8,230,197)	-	(114,217,712)
Suppliers and other liabilities	(31,743,016)	(731,706)	(144,071)	(3,500,093)	(7,982)	(36,126,868)
Cash and cash equivalents	11,143,568	111,795	62,580	502,899	-	11,820,842
	(55,357,767)	**(1,527,754)**	**8,964,480**	**(5,794,486)**	**(7,982)**	**(53,723,509)**
Derivatives for hedging of the above risks (Nominal Value)	-	1,104,613	(11,754,080)	(1,000,000)	-	(11,649,467)
	(55,357,767)	**(423,141)**	**(2,789,600)**	**(6,794,486)**	**(7,982)**	**(65,372,976)**

(Amounts in Euro) **COMPANY**

31.12.2011	EURO	USD	GBP	OTHER	TOTAL
Customers and other trade receivables	79,164,901	1,930	5,053,944	-	84,220,775
Loans	(94,898,817)	-	-	-	(94,898,817)
Suppliers and other liabilities	(40,883,141)	(84,796)	(462,329)	(10,385)	(41,440,651)
Cash and cash equivalents	12,439,866	8,296	114,171	-	12,562,333
	(44,177,191)	**(74,570)**	**4,705,786**	**(10,385)**	**(39,556,360)**
Derivatives for hedging of the above risks (Nominal Value)	-	180,392	(9,939,226)	-	(9,758,834)
	(44,177,191)	**105,822**	**(5,233,440)**	**(10,385)**	**(49,315,194)**

COMPANY

(Amounts in Euro)

31.12.2010	EURO	USD	GBP	OTHER	TOTAL
Customers and other trade receivables	57,260,246	2,060	8,654,900	-	65,917,206
Loans	(78,508,595)	-	-	-	(78,508,595)
Suppliers and other liabilities	(43,284,871)	(679,200)	(121,093)	(7,982)	(44,093,146)
Cash and cash equivalents	7,903,460	78,462	2,246	-	7,984,168
	(56,629,760)	**(598,678)**	**8,536,053**	**(7,982)**	**(48,700,367)**
Derivatives for hedging of the above risks (Nominal Value)	-	1,104,614	(11,754,081)	-	(10,649,467)
	(56,629,760)	**505,936**	**(3,218,028)**	**(7,982)**	**(59,349,834)**

The exchange rates used per fiscal year are as follows:

Euros	**Average**		**Exchange rate on**	
	1.1-31.12.2011	**1.1-31.12.2010**	**31.12.2011**	**31.12.2010**
RON Romania	4.2379	4.2099	4.3233	4.2620
USD	-	-	1.2939	1.3362
GBP	-	-	0.8353	0.8607

Sensitivity analysis

A 10% decrease of Euro in relation to the following currencies on 31 December would increase (decrease) shareholder's equity and results by the amounts set out below. This analysis assumes that all the other variables and especially interest rates remain fixed.

Group	**Year results**		**Equity**	
	2011	**2010**	**2011**	**2010**
USD	(46,742)	(47,016)	-	-
GBP	(560,200)	(309,955)	-	-
RON	-	-	(319,851)	(754,943)
	(606,942)	**(356,971)**	**(319,851)**	**(754,943)**

Company	Year results		Equity	
	2011	**2010**	**2011**	**2010**
USD	11,758	56,215	-	-
GBP	(581,493)	(357,559)	-	-
	(569,735)	**(301,344)**	**-**	**-**

A 10% rise of Euro in relation to the following currencies on 31 December would have the opposite effect on the following currencies by the amounts set out below:

Group	Year results		Equity	
	2011	**2010**	**2011**	**2010**
USD	38,244	38,467	-	-
GBP	458,346	253,600	-	-
RON	-	-	261,696	617,681
	496,590	**292,067**	**261,696**	**617,681**

Company	Year results		Equity	
	2011	**2010**	**2011**	**2010**
USD	(9,620)	(45,994)	-	-
GBP	475,767	292,548	-	-
	466,147	**246,554**	**-**	**-**

33.4 Interest rate fluctuation risk

On the reference date, the interest-bearing financial instruments of the Group in terms of interest rate risk are as follows:

(Amounts in Euro)	GROUP		COMPANY	
	2011	**2010**	**2011**	**2010**
Fixed interest rates				
Liability items	6,250,000	11,250,000	6,250,000	11,250,000
Floating rate				
Liability items	164,507,731	102,967,712	88,648,817	67,258,595
	170,757,731	**114,217,712**	**94,898,817**	**78,508,595**

Cash flow sensitivity analysis for floating rate financial instruments

A 0.25% change in interest rates on the reference date would increase (decrease) equity and results by the amounts set out below. This analysis assumes that all the other variables and especially exchange rates remain fixed.

GROUP	Year results		Equity	
Effect in thousand Euro on 31.12.2011	**Increase by 0.25%**	**Decrease by 0.25%**	**Increase by 0.25%**	**Decrease by 0.25%**
Floating rate financial instruments	(550,669)	550,669	-	-
Interest rate swaps	-	-	7,829	(7,829)

GROUP	Year results		Equity	
Effect in thousand Euro on 31.12.2010	**Increase by 0.25%**	**Decrease by 0.25%**	**Increase by 0.25%**	**Decrease by 0.25%**
Floating interest rate	(347,477)	347,477	-	-
Interest rate swaps	-	-	23,776	(23,776)

COMPANY	Year results		Equity	
Effect in thousand Euro on 31.12.2011	**Increase by 0.25%**	**Decrease by 0.25%**	**Increase by 0.25%**	**Decrease by 0.25%**
Floating rate financial instruments	(287,446)	287,446	-	-
Interest rate swaps	-	-	7,829	(7,829)

COMPANY	Year results		Equity	
Effect in thousand Euro on 31.12.2010	**Increase by 0.25%**	**Decrease by 0.25%**	**Increase by 0.25%**	**Decrease by 0.25%**
Floating interest rate	(281,123)	281,123	-	-
Interest rate swaps	-	-	23,776	(23,776)

33.5 Fair value

Fair value compared to book value

The fair value and the book value of financial asset and liability items shown in the balance sheet are as follows:

(Amounts in Euro)	GROUP			
	2011		**2010**	
	Book value	**Fair value**	**Book value**	**Fair value**
Financial assets available for sale	1,807,484	1,807,484	1,807,484	1,807,484
Trade receivables	49,588,685	49,588,685	60,205,112	60,205,112
Cash	18,983,379	18,983,379	11,820,842	11,820,842
Bank loans	170,757,731	170,757,731	114,217,712	114,217,712
Suppliers and other liabilities	43,728,263	43,728,263	36,126,868	36,126,868

(Amounts in Euro)	COMPANY			
	2011		**2010**	
	Book value	**Fair value**	**Book value**	**Fair value**
Financial assets available for sale	1,807,484	1,807,484	1,807,484	1,807,484
Trade receivables	54,669,585	54,669,585	46,812,944	46,812,944
Cash	12,562,333	12,562,333	7,984,168	7,984,168
Bank loans	94,898,817	94,898,817	78,508,595	78,508,595
Suppliers and other liabilities	41,440,651	41,440,651	44,093,146	44,093,146

Classification of financial instruments based on their valuation at fair value

A classification table of financial instruments is given below which depends on the quality of the data used to assess fair value:

- Level 1: Financial instruments valued at fair value using active market prices
- Level 2: Financial instruments valued at fair value using other unquestionably objective prices beyond active market
- Level 3: Financial instruments valued according to the Company's estimates since there is no observable data in the market.

GROUP

	2011			2010		
(Amounts in Euro)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Derivative financial assets	-	130,965	-	-	2,254,174	-
Financial assets available for sale	-	-	1,807,484	-	-	1,807,484
	-	**130,965**	**1,807,484**	**-**	**2,254,174**	**1,807,484**
Derivative financial liabilities	-	(578,605)	-	-	(600,801)	-
Total	**-**	**(447,640)**	**1,807,484**	**-**	**1,653,373**	**1,807,484**

COMPANY

	2011			2010		
(Amounts in Euro)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Derivative financial assets	-	130,965	-	-	2,254,174	-
Financial assets available for sale	-	-	1,807,484	-	-	1,807,484
	-	**130,965**	**1,807,484**	**-**	**2,254,174**	**1,807,484**
Derivative financial liabilities	-	(527,310)	-	-	(166,990)	-
Total	**-**	**(396,345)**	**1,807,484**	**-**	**2,087,184**	**1,807,484**

Level 3 financial assets concern holdings in both domestic and foreign companies with holding percentages below 20%. These holdings that have no exchange price and their fair value cannot be reliably measured are valued at cost and are subject to impairment test (note 19). 19).

34 Commitments and contingent liabilities

34.1 Payables from operating leases

a) The Group uses leased passenger cars based on operating lease agreements. The total future lease fees payable, according to the operating lease agreements, are as follows:

(Amounts in Euro)	GROUP		COMPANY	
	2011	2010	2011	2010
Up to 1 year	904,417	248,260	181,568	167,869
Between 1 and 5 years	951,500	390,898	470,399	345,093
	1,855,917	**639,158**	**651,967**	**512,962**

b) The Group leases a property to accommodate its principal establishment. The future payable lease fees, according to the lease agreement, are as follows:

(Amounts in Euro)	GROUP		COMPANY	
	2011	2010	2011	2010
Up to 1 year	142,416	142,416	142,416	142,416
Between 1 and 5 years	569,664	569,664	569,664	569,664
Over 5 years	**640,872**	**783,288**	**640,872**	**783,288**
	1,352,952	**1,495,368**	**1,352,952**	**1,495,368**

34.2 Contingent liabilities

The Group and the parent company have contingent payables and receivables relating to banks, other collateral and other issues arising in the course of their ordinary activity, which are as follows:

Liabilities:

(Amounts in Euro)	GROUP		COMPANY	
	2011	2010	2011	2010
Collateral for securing payables to suppliers	2,817,211	1,146,670	2,566,813	889,919
Collateral for securing the performance of contracts entered into with customers	17,976,638	14,077,946	12,845,269	13,485,880
Other payables	12,304,416	1,737,115	12,304,416	1,737,115
	33,098,265	**16,961,731**	**27,716,498**	**16,112,914**

Capital commitments:

(Amounts in Euro)	GROUP		COMPANY	
	2011	2010	2011	2010
Property, plant and equipment	**85,788**	**122,350**	**85,788**	122,350
	85,788	**122,350**	**85,788**	**122,350**

34.3 Years unaudited in tax terms

The Company and its subsidiaries have not been audited by tax authorities for the following years:

Company	Tax authority	Fiscal Years
HELLENIC CABLES	Greece	From 2009 to 2011
TELECABLES	Greece	From 2004 to 2011
ICME-ECAB	Romania	From 2010 to 2011
LESCO OOD	Bulgaria	From 2008 to 2011
GENECOS	France	From 2005 to 2011
LESCO ROMANIA	Romania	From 2003 to 2011
DE LAIRE LTD.	Cyprus	From 2001 to 2011
E.D.E. S.A.	Greece	From 2010 to 2011

35 Transactions with affiliates

The subsidiaries of the Group as set out in Note 1 and the executive members of the Board of Directors are considered affiliates.

Given that the Group is included in the consolidated financial statements of VIOHALCO SA and the companies of VIOHALCO Group are also considered affiliates.

The balances of Company transactions with subsidiaries and its associates and the results related to such transactions are as follows:

	GROUP		COMPANY	
I. Subsidiary companies	**2011**	**2010**	**2011**	**2010**
Receivables	-	-	21,631,535	2,475,317
Payables	-	-	17,354,976	16,424,143
Sales of products and other income	-	-	43,107,260	9,710,469
Purchases of products and other expenses	-	-	56,730,948	34,811,924
II. Transactions with companies of VIOHALCO Group	**2011**	**2010**	**2011**	**2010**
Receivables	6,814,584	4,532,940	5,484,772	3,247,190
Payables	7,026,544	4,201,861	4,380,092	1,847,449
Sales of products and other income	32,743,693	30,847,699	23,938,756	21,551,247
Purchases of products and other expenses	70,086,233	70,018,749	19,429,834	25,630,106
III. BoD members	**2011**	**2010**	**2011**	**2010**
Fees	841,601	857,710	618,750	668,976

All transactions with affiliates took place in accordance with the generally accepted commercial terms and will be settled in cash within a reasonable period of time.

36 Group Companies

The Consolidated Financial Statements of the Group on 31 December 2011 include the financial statements of HELLENIC CABLES S.A. and the subsidiaries/associates referred to below:

Corporate name	Registered Office	Activity	Holding percentage	
			31.12.2011	31.12.2010
Subsidiaries				
FULGOR SA	Greece	Industrial	100%	0%
ICME ECAB S.A.	Romania	Industrial	98.59%	98.59%
LESCO OOD	Bulgaria	Industrial	100%	100%
GENECOS S.A.	France	Commercial	60%	60%
LESCO ROMANIA	Romania	Industrial	65%	65%
DAILAIRE	Cyprus	Commercial	100%	100%
E.D.E. S.A.	Greece	Commercial	99.99%	99.99%
ELECTRIC CABLE AGENCIES	England	Commercial	100.00%	100.00%
Associates				
STEELMET S.A.	Greece	Provision of services	29.56%	29.56%
METAL GLOBE LTD.	Serbia (Montenegro)	Commercial	30.00%	30.00%
METAL AGENCIES LTD.	England	Commercial	33.00%	33.00%
COPPERPROM LTD	Greece	Commercial	40.00%	40.00%

All the above subsidiaries are consolidated using the full consolidation method save EDE SA and ELECTRIC CABLES AGENCIES to which the equity method applies due to their minor importance. Associates are consolidated using the equity method of accounting.

37 Proforma financial statements – Reclassification of items

37.1 Proforma financial statements

For comparability purposes of the consolidated balance-sheet items as at 31 December 2011 with the respective prior-year items, it was assumed that Fulgor was acquired on 31 December 2010. The items of the Group's prior-year balance sheet would be as shown below in the Proforma column as at 31.12.2010:

(Amounts in Euro)

ASSETS

	Published 31.12.2011	**Proforma 31.12.2010**
Property, plant and equipment	142,699,539	146,459,438
Intangible assets	10,160,040	10,109,839
Investment property	2,270,174	2,152,565
Holdings in subsidiaries and affiliates	779,726	760,655
Other investments	1,807,484	1,807,484
Deferred tax assets	427,949	260,135
Other receivables	574,029	894,019
Total non-current assets	**158,718,941**	**162,444,135**
Inventories	92,165,783	70,273,188
Customers and other trade receivables	76,081,125	86,606,029
Derivatives	130,965	2,254,174
Cash and cash equivalents	18,983,379	8,681,899
Total current assets	**187,361,252**	**167,815,290**
Total assets	**346,080,193**	**330,259,425**
LIABILITIES		
EQUITY		
Share Capital	20,977,916	19,330,716
Share premium account	31,171,712	23,224,991
Reserves	22,194,269	23,728,775
Accumulated profits	40,951,919	45,403,382
Equity attributed to shareholders	**115,295,816**	**111,687,864**
Minority interest	819,327	751,489
Total equity	**116,115,143**	**112,439,353**
LIABILITIES		
Loans	65,405,241	31,327,847
Payables from financial leases	438,273	1,055,326
Payables for staff retirement indemnities	2,550,018	2,532,101
Grants	1,537,093	331,493

Provisions	200,000	258,263
Deferred tax liabilities	9,499,384	9,703,556
Total long-term liabilities	**79,630,009**	**45,208,586**
Loans	105,352,490	116,828,933
Suppliers and other liabilities	675,683	53,984,324
Payables from financial leases	43,728,263	1,197,428
Derivatives	578,605	600,801
Total short-term liabilities	**150,335,041**	**172,611,486**
Total liabilities	**229,965,050**	**217,820,072**
Total equity and liabilities	**346,080,193**	**330,259,425**

Note that the items of the individual balance sheet as at 31 December 2011 are not comparable with those of the year 2010 because the balance sheet as at 31 December 2011 includes the items of the balance sheet and results of the absorbed company "TELECABLES SA".

37.2 Reclassifications of figures

Certain items of the prior-year Statement of Total Income were reclassified so as to become similar and comparable with those of the ending year:

Statement of Total Income

	Cost of Sales	**Selling Expenses**	**Administrative expenses**
	Increase/(decrease)	Increase/(decrease)	Increase/(decrease)
Balances as published on 31 December 2010	331,614,800	6,931,570	7,498,515
Reclassification	(536,350)	97,350	439,000
Balances as published on 31 December 2011	331,078,450	7,028,920	7,937,515

38 Subsequent events

1. The Company's share capital increase by € 9,593,921 was completed during February 2012. Extensive reference is made in Note 25.

2. During January 2012, the subsidiary Fulgor ceased to fall under the arrangement procedure set out in Article 99 of the Code on Bankruptcy under which it had fallen as of December 2010.

* *

Athens, 16 March 2012

THE CHAIRMAN OF THE BOARD OF DIRECTORS	A MEMBER OF THE BOARD OF DIRECTORS	THE GENERAL MANAGER	THE FINANCIAL MANAGER
IOANNIS BATSOLAS	IOANNIS STAVROPOULOS	ALEXIOS ALEXIOU	IOANNIS THEONAS
K 067453	K 221209	X 126605	AE 035000

E. FACTS AND INFORMATION ON THE YEAR FROM 1 JANUARY 2011 TO 31 DECEMBER 2011

SA REGISTER No 2131/06/B/86/19

Address: Athens Tower, Building B, 2-4, Mesogheion Avenue, 11527, Athens

Facts and information on the year from 1 January 2011 to 31 December 2011

(published pursuant to Article 135 of Codified Law 20/1920 on entities preparing annual financial statements, either consolidated or not, as per IAS)

The following facts and data arising from the financial statements aim to provide general information about the financial condition and results of "HELLENIC CABLES S.A.". Therefore, readers are advised, before making any investment decision or other trans

Competent Prefecture: Ministry of Development, S.A. and Credit Division
Website: www.cablel.gr
BoD composition: Chairman: Batsolas I., Vice-chairman: Laios K. and members: Diakogiannis M., Kyriazis A., Stergiopoulos G., Alexiou A., Katsanos A., Stavropoulos I., Galetas N., Georganas I., Gee Ronald, Wiedenmann Rudolf
Date of annual financial statements approval by the Board of Directors: 16 March 2012
Chartered Accountant - Auditor: Nikolaos Tsiboukas (Greek ICPA Reg. No: 17151)
Audit company: KPMG Certified Auditors A.E.
Type of auditors' audit report : Upon concurrent opinion

BALANCE SHEET ITEMS
Amounts in €

	GROUP 31-Dec-2011	GROUP 31-Dec-2010	COMPANY 31-Dec-2011	COMPANY 31-Dec-2010
ASSETS				
Self-used tangible fixed assets	142.699.539	87.868.776	69.658.858	64.321.620
Investment property	2.270.174	2.152.565	2.270.174	2.152.565
Intangible assets	10.160.040	409.125	267.637	348.791
Other non-current assets	3.589.188	3.500.184	23.424.121	22.712.776
Inventories	92.165.783	68.392.515	45.580.792	38.355.431
Trade receivables	49.588.685	60.205.112	54.669.585	46.812.944
Other current assets	45.606.784	38.670.133	42.244.488	29.342.604
TOTAL ASSETS	**346.080.193**	**261.198.410**	**238.115.655**	**204.046.731**
EQUITY AND LIABILITIES				
Share Capital	20.977.916	19.330.716	20.977.916	19.330.716
Other equity items	94.317.900	84.616.577	73.557.880	56.898.763
Total equity of parent company owners (a)	**115.295.816**	**103.947.293**	**94.535.796**	**76.229.479**
Minority Interests (b)	819.327	751.489	-	-
Total Equity (c)=(a) + (b)	**116.115.143**	**104.698.782**	**94.535.796**	**76.229.479**
Long-term loan liabilities	65.405.241	31.327.847	38.016.667	26.827.754
Provisions/ Other long-term liabilities	14.224.768	5.554.247	6.713.081	5.048.521
Short-term loan liabilities	105.352.490	82.889.865	56.882.150	51.680.841
Other short-term liabilities	44.982.551	36.727.669	41.967.961	44.260.136
Total liabilities (d)	**229.965.050**	**156.499.628**	**143.579.859**	**127.817.252**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**346.080.193**	**261.198.410**	**238.115.655**	**204.046.731**

INCOME STATEMENT
Amounts in €

GROUP

	1-Jan-2011 31-Dec-2011	1-Jan-2010 31-Dec-2010
Turnover	414.593.446	351.883.981
Gross profit/ (loss)	**26.887.939**	**20.805.531**
Earnings/ (loss) before interest and taxes	11.815.860	5.139.862
Earnings /(loss) before taxes	**3.609.474**	**567.744**
Less taxes	(278.420)	(173.499)
Earnings/(loss) after taxes (A)	**3.331.054**	**394.245**
Allocated to:		
Company Shareholders	3.262.533	373.691
Minority Shareholders	68.521	20.554
Other total income after taxes (B)	**(1.508.614)**	**(290.786)**
Comprehensive total income after taxes (A)+(B)	**1.822.440**	**103.459**
Allocated to:		
Company Shareholders	1.754.601	93.358
Minority Shareholders	67.839	10.101
Basic post-tax earnings/ (loss) per share (in €)	**0,1167**	**0,0140**
Earnings/ (loss) before interest, taxes, depreciation and amortization	**20.850.207**	**13.224.328**

COMPANY

	1-Jan-2011 31-Dec-2011	1-Jan-2010 31-Dec-2010
Turnover	326.655.026	257.628.647
Gross profit/ (loss)	**17.001.312**	**11.330.822**
Earnings/ (loss) before interest and taxes	7.853.057	2.322.988
Earnings /(loss) before taxes	**1.640.885**	**38.690**
Less taxes	(546.228)	(212.581)
Earnings/(loss) after taxes (A)	**1.094.657**	**(173.891)**
Allocated to:		
Company Shareholders	1.094.657	(173.891)
Other total income after taxes (B)	**(1.488.237)**	**390.854**
Comprehensive total income after taxes (A)+(B)	**(393.580)**	**216.963**
Allocated to:		
Company Shareholders	(393.580)	216.963
Basic post-tax earnings per share (in €)	**0,0391**	**(0,0060)**
	12.941.317	**7.421.647**
Earnings/ (loss) before interest, taxes, depreciation and amortization		

STATEMENT OF CHANGES IN EQUITY (consolidated and non-consolidated figures)
Amounts in €

	GROUP 31-Dec-2011	GROUP 31-Dec-2010	COMPANY 31-Dec-2011	COMPANY 31-Dec-2010
Total equity at beginning of year (1/1/2011 and 1/1/2010 respectively)	104.698.782	104.595.323	76.229.479	76.012.516
Period earnings/(loss) after taxes	3.331.054	394.245	1.094.657	(173.891)
Net income posted directly to equity	(1.508.614)	(290.786)	(1.488.237)	390.854
Share capital increase	9.593.921		9.593.921	-
Absorption of subsidiary	-	-	9.105.976	-
Total equity at end of year (31.12.2011 and 31.12.2010 respectively)	**116.115.143**	**104.698.782**	**94.535.796**	**76.229.479**

STATEMENT OF CASH FLOW (consolidated and non-consolidated figures)
Amounts in €

	GROUP 1-Jan-2011 31-Dec-2011	GROUP 1-Jan-2010 31-Dec-2010	COMPANY 1-Jan-2011 31-Dec-2011	COMPANY 1-Jan-2010 31-Dec-2010
Operating Activities				
Earnings before taxes (continuing activities)	3.609.474	567.744	1.640.885	38.690
Plus/ less adjustments for:				
Depreciation and Amortization	9.369.472	8.120.982	5.423.385	5.135.175
Provisions	(400.892)	(52.725)	490.349	425.100
Results (income, expenses, profit and loss) from investment activity	406.424	(1.002.746)	306.127	(1.520.423)
Depreciation of grants	(335.125)	(36.516)	(335.125)	(36.516)
Interest charges and related expenses	9.238.165	4.801.210	6.142.823	3.153.777
Plus/less adjustments for changes in working capital accounts or accounts related to operating activities:				
Decrease/(increase) in inventories	(21.798.420)	(8.779.230)	(7.187.237)	(3.037.832)
Decrease/(increase) in receivables	20.049.435	(21.553.603)	(1.681.101)	(16.121.381)
(Decrease)/ increase in payables (less loans)	(14.103.008)	8.343.889	(3.374.328)	9.220.465
Less:				
Interest charges and related paid-up expenses	(8.972.995)	(4.656.228)	(5.877.652)	(3.008.795)
Taxes paid	(413.446)	(170.095)	(184.323)	(158.629)
Total inflow / (outflow) from operating activities (a)	**(3.350.916)**	**(14.417.318)**	**(4.636.197)**	**(5.910.369)**
Investment activities				
Acquisition of subsidiaries, affiliated companies, joint ventures and other	(3.114.495)	-	(3.430.000)	-
Purchase of tangible and intangible assets	(8.263.290)	(5.437.898)	(5.158.263)	(4.023.209)
Proceeds from the sale of tangible and intangible assets	85.870	5.623	85.870	105.621
Absorption of subsidiary	-	-	287.942	-
Interest received	116.563	258.542	211.116	19.234
Dividend received	-	557.641	-	557.641
Total inflow / (outflow) from investment activities (b)	**(11.175.352)**	**(4.616.092)**	**(8.003.335)**	**(3.340.713)**
Financing activities				
Proceeds from issued / received loans	106.421.745	68.545.083	54.223.554	36.305.220
Repayment of loans	(85.442.316)	(49.038.797)	(37.833.332)	(21.743.880)
Payment of financial lease payables (amortization)	(109.648)	-	-	-
Grants received	827.475	-	827.475	-
Total inflow/ outflow from financing activities (c)	**21.697.256**	**19.506.286**	**17.217.697**	**14.561.340**
Net increase / (decrease) in cash & cash equivalents for the year	**7.170.988**	**472.876**	**4.578.165**	**5.310.258**
Cash & cash equivalents at the beginning of the year	**11.820.842**	**11.458.232**	**7.984.168**	**2.673.910**
Effect of foreign exchange differences	**(8.451)**	**(110.266)**	**-**	**-**
Cash & cash equivalents at the end of the year	**18.983.379**	**11.820.842**	**12.562.333**	**7.984.168**

Additional facts and information:

1 The Group companies included in the consolidated financial statements with reference to registered offices and holding percentage are as follows:

Full consolidation method:	**Holding Direct**	**Holding Indirect**	**Total**	**Registered Office**	**Unaudited years**
FULGOR S.A.	100%		100%	GREECE	2.011
ICME ECAB S.A.	98,59%		98,59%	ROMANIA	2010-2011
LESCO O.O.D	99,15%	0,85%	100%	BULGARIA	2009-2011
GENECOS S.A.	60%		60%	FRANCE	2005-2011
LESCO ROMANIA S.A.	65%		65%	ROMANIA	2003-2011
DE LAIRE LIMITED	100%		100%	CYPRUS	2001-2011
Using the equity method of accounting:					
STEELMET S.A.	29,56%		29,56%	GREECE	2006-2011
METAL AGENCIES LTD	33%		33%	ENGLAND	
METAL GLOBE DOO	30%		30%	SERBIA	2003-2011
ELECTRIC CABLE AGENCIES	100%		100%	ENGLAND	
COPPERPROM Ltd.	20%	20%	40%	GREECE	2003-2011
E.D.E. S.A.	99,99%		99,99%	GREECE	2010-2011
Using the proportional consolidation method:					
JOINT VENTURE NEXANS–HELLENIC CABLES–FULGOR–PPC 2009	33%		33%	GREECE	2009-2011

2 On 29 July 2011, the parent company acquired 100% of the shares of the relevant company in the cables sector, Fulgor SA. In addition, the parent company absorbed its wholly-owned subsidiary TELECABLES SA. Further information on such acquisition and absor

3 On 7 September 2011, the General Meeting of the Company's shareholders decided to increase the share capital which was completed on 7 February 2012. The share capital increase and share premium account stood at € 9,593,921 through the issue of 2,320,000 n

4 Prenotation of mortgage totalling € 49 million has been raised on the properties of the subsidiary FULGOR to secure long-term loans.

5 No shares of the parent company are held by Group companies.

6 The Company has been audited by the tax authorities up to 2008. As for the unaudited fiscal years 2009 and 2010, a provision equal to € 200,000 has been raised to meet any contingent additional tax liabilities. As for the year 2011, the Company is audited

7 The personnel employed by the Company and the Group on 31 December 2011 numbered 401 and 1,275 respectively and on 31 December 2010 the corresponding figure was 405 and 1,035.

8 There are no disputed cases against Group companies and, thus, no relevant provisions have been raised.

9 Cumulative income and expenses from beginning of the accounting period and balances of receivables and payables of the Company and the Group at the end of the current period, which have arisen from its transactions with affiliated parties as per IAS 24, are as follows:

(Amounts in €)	GROUP	COMPANY
i) Income	32.743.693	67.046.016
ii) Expenses	70.086.233	76.160.782
iii) Receivables	6.814.584	27.116.307
iv) Payables	7.026.544	21.735.068
v) Transactions with and fees for Management executives and members	841.601	618.750
vi) Receivables from Management executives and members	-	-
vii) Payables to Management executives and members	-	-

Certain items of the Group's results of the year 2010 have been reclassified to be similar and comparable with those of the current year. Detailed reference is made in Note 37 to the Financial Statements.

11 The financial statements of the Group are included in the consolidated financial statements of the following companies:

Corporate name	Country of registered office	Method of consolidation	Holding percentage
HALCOR S.A.	GREECE	FULL CONSOLIDATION	72,53%
VIOHALCO S.A.	GREECE	FULL CONSOLIDATION	45,64%

12 The amounts and nature of other total income after taxes for the Group and the Company are as follows:

(Amounts in €)	GROUP 31-Dec-2011	GROUP 31-Dec-2010	COMPANY 31-Dec-2011	COMPANY 31-Dec-2010
Foreign exchange differences	386.346	(1.216.680)	-	-
Valuation of derivatives fair value	(2.419.247)	987.422	(1.935.054)	486.644
Proportionate tax	524.287	(61.528)	446.817	(95.790)
Other total income after taxes	**(1.508.614)**	**(290.786)**	**(1.488.237)**	**390.854**

Athens, 16 March 2012

THE GENERAL MANAGER
ALEXIOS ALEXIOU
X 126605

THE CHIEF FINANCIAL OFFICER
IOANNIS THEONAS
AE 035000
LICENCE No, CLASS A: 0011130

THE CHAIRMAN OF THE BoD
IOANNIS BATSOLAS
AK 034042

A MEMBER OF THE BoD
IOANNIS STAVROPOULOS
K 221209

F. ADDITIONAL FACTS AND INFORMATION OF FINANCIAL REPORT

Information under article 10 of Law No 3401/2005

Below is given information published or made available by the Company to the public during year 2011. This information is incorporated in this annual financial report by setting out the above table.

No	Description	Website	Site map
1.	Facts & Information, Q3 2011	http://www.cablel.gr/eco_res_en.php?y=2011&t=1	Home Page > Investor relations > Financial results > 2011
2.	Interim financial statements Q3 2011		
3.	Facts & Information, Q1-Q2 2011		
4.	Semi-annual Financial Report 2011		
5.	Facts & Information, Q1, Q2, Q3 2011		
6.	Interim financial statements Q1, Q2, Q3 2011		
7.	Facts & Information, Q1-Q4 2011		
8.	Annual Financial Report 2011		
9.	Press releases/ announcements to stock exchange during 2011	http://www.cablel.gr/eco_res_en.php?y=2011&t=2	Home Page > Investor relations > Announcements/ Publications > Press releases/ Announcements > 2011

Availability of Financial Statements

The Annual Financial Statements of the Company on both consolidated and non-consolidated basis, the audit report of the chartered auditor-accountants and the Report of the Board of Directors on both consolidated and non-consolidated basis are uploaded on www.ase.gr.

In addition, in our Company's website (http://www.cablel.gr) you will find the annual financial statements, the audit reports of the chartered auditor-accountants and the reports of the Board of Directors incorporated in the Company's consolidated financial statements.

Finally, any shareholders and investors interested in getting more information and clarifications on the company may e-mail, during working days and hours: jtheonas@cablel.vionet.gr (Head: Mr. Ioannis Theonas, tel.: 2106787913). In addition, the company's website (http://www.cablel.gr) includes this Annual Financial Report and the Annual Bulletins of the previous fiscal years and other important information on the company.