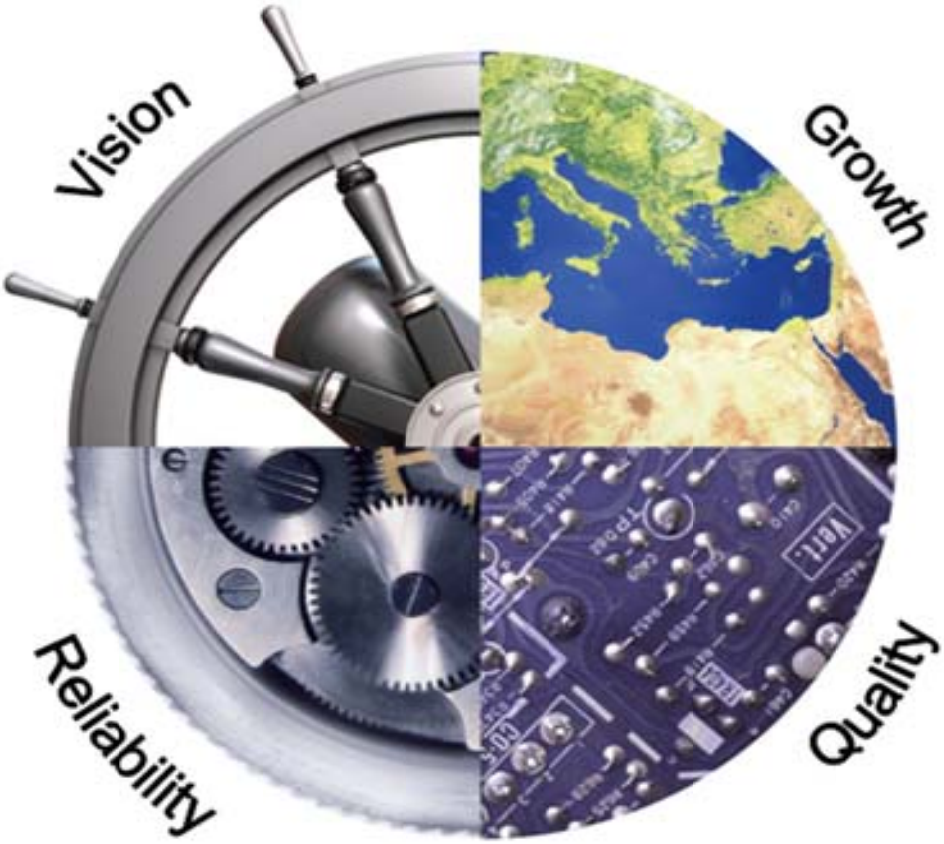

Financial Report for the Six Month Period from 1st January 2013 to 30th June 2013

«SPACE HELLAS S.A. »
Company's No: 13966/06/B/95
Mesogion Av. 312 Ag. Paraskevi

The Financial Report for the Six Month Period from 1st January to 30th June 2013 has been prepared in accordance with art. 5, Law 3556/2007, has been approved by the Board of Directors at 28th August 2013 and has been uploaded at the URL address *www.space.gr*

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1 STATEMENTS OF MEMBERS OF THE BOARD (In accordance with article 5 par.2 of Law 3556/2007)

The Members of the Board of Directors of SPACE HELLAS SA

- Spyridon D. Manolopoulos, President of the Board, executive member ,
- Paraskevas D. Drosinos Chief Executive Officer, executive member,
- Georgios P. Lagogiannis General Manager and executive member.,

acting by virtue of the aforementioned membership and especially designated, we declare and certify that, as far as we know:

1. The financial report for the six month period ended at 30th June 2013, has been prepared according to International Financial Reporting Standards, and present truly and fairly the assets and liabilities, the equity and the financial results of the Company, as well as of the consolidated companies as a whole, according to par. 3 of article 5 of L. 3556/2007

2. The enclosed report of the Board of Directors presents in a true manner the progress and the financial position and performance both for the company and the group as well as the disclosure of the risks and uncertainties.

Agia Paraskevi, 28 August 2013

The President of the Board	Chief Executive Officer	Member and General Manager
S. Manolopouos ID AH 641298	P.Drosinos ID AB 275447	G. Lagogiannis ID. AB 291787

2 SEMI-ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL PERIOD 1.1.2013 – 30.06.2013

To the Shareholders

This Report of the Board of Directors of SPACE HELLAS, submitted to the Shareholders, refers to the financial period from January 1, 2013 to June 30, 2013 and is compliant to the provisions of the Greek Companies' Act, Codified Law 2190/1920, art 136, as well as art. 5 § 6 L.3556/2007 and related HCMC circulars.

The sections of this Report comprise information given in a true and substantial manner and in accordance with the aforementioned legal framework, aiming to provide substantial and detailed information regarding the activities of the company and the Group for the related period.

The sections of the report aim to provide information regarding:

- The financial position of the Group and the Company, and additional related information for the period.
- The important issues that took place during the first half of year and their impact on the financial statements.
- The risk and uncertainties of the Group and the Company for the second half of the year
- The transactions with related parties during the period

The present report refers to the consolidated financial statements and whenever deemed necessary refers also to the company financial data.

The present report is included unchanged in the interim Financial Report of year 2013, along with the financial statements and the rest of the necessary information, the relevant declarations and the explanatory notes.

The Interim Financial Report is available in the URL address, http:/www.space.gr, together with the financial statements and the auditor's report.

2.1 FINANCIAL POSITION – PERFORMANCE – OTHER INFORMATION

2.1.1 FINANCIAL FIGURES

Despite the continuing crisis and the negative effects of the domestic economic environment, the basic objective of the Group's management is to maintain its satisfactory performance within the second half of 2013, mirroring the Group's financial stability, as well as its future prospects.

The Group will continue to pursue expansion abroad by making use of the long experience of the company in projects System Integration, its momentous technological expertise and its highly trained staff, enabling the design, implementation, maintenance and support of complex, technologically advanced projects within the international market.

The Group's presence in Cyprus, Romania, Serbia, and Malta has started to bear fruit and it is expected that the results will become apparent within the next few months. We successfully claim new projects such as acquiring the first place during the international competition of the Meteorological Service of Cyprus concerning the realization of a project for providing meteorological services via Radars with a contract price of 4.52 million €, with duration 13 years.

The company's activities were fully compliant with the legal framework as well as with the statutory goals.

The following table presents a comparison of the financial results for the periods a' 2013 and a' 2012 respectively which were restated due to the retroactive application of a new accounting principle (amendment to IAS 19).

2.1.1.1 Period's total income

TOTAL INCOME STATEMENT						
	GROUP			COMPANY		
Amounts in € thousand	01.01-30.06.2013	01.01-30.06.2012	VARIATION %	01.01-30.06.2013	01.01-30.06.2012	VARIATION %
Revenue	21.299	24.417	-12,77%	20.472	23.905	-14,36%
Gross profit/loss	6.816	7.057	-3,42%	6.514	6.825	-4,56%
Gross profit margin	32%	29%		32%	29%	
EBIT	1.460	1.616	-9,71%	1.374	1.520	-9,66%
EBITDA	1.952	2.082	-6,29%	1.834	1.984	-7,56%
Earnings before taxes	236	374	-36,90%	464	294	57,82%
Earnings after taxes	45	267	-83,15%	204	190	7,37%
Other comprehensive income after taxes	1	13	-92,31%	0	0	
Total income after taxes	46	280	-83,57%	204	190	7,37%

** Data of the comparative period was restated due to retrospective application of a new accounting principle (amendment to IAS 19).*

The Group's turnover amounted to € 21.299 thousand compared to € 24.417 thousand of the previews period. The decrease in turnover is mainly attributed to the careful treatment of the potential credit risk of some clients, along with the prolonged recession of the Greek market.

The Group's Gross profit amounted to € 6.816 thousand compared to € 7.057 thousand of the previews period showing small decrease.

The Group's EBITDA amounted to € 1.952 thousand compared to € 2.082 thousand of the previews period showing small decrease.

The Group's EBIT amounted to € 1.460 thousand compared to € 1.616 thousand of the previews period, showing a decrease of 9,71%.

The Group's earnings before taxes amounted to € 236 thousand compared to € 374 thousand of the previews period.

The Group's earnings after taxes amounted to € 45 thousand compared to € 267 thousand of the previews period.

The other comprehensive income after taxes amounted to € 1 thousand compared to € 13 thousand of the previews period concern the result from currency exchange differences from the consolidation of subsidiaries.

2.1.1.2 Assets

BALANCE SHEET (Assets)						
	GROUP			COMPANY		
Amounts in € thousand	01.01-30.06.2013	01.01-31.12.2012	VARIATION %	01.01-30.06.2013	01.01-31.12.2012	VARIATION %
Total Assets	45.421	50.037	0,72%	36.380	40.823	-10,88%
Total noncurrent receivables	21.690	21.536	-0,12%	12.442	12.230	1,73%
Inventories	2.525	2.806	-10,01%	2.525	2.806	-10,01%
Trade receivables	14.605	16.078	-9,16%	13.968	15.725	-11,17%
Other receivables	6.601	9.617	-31,36%	7.445	10.062	-26,01%

** Data of the comparative period was restated due to retrospective application of a new accounting principle (amendment to IAS 19).*

The Group's Total Assets amounts to € 45.421 thousand compare to € 50.037 thousand of the previews period.

The Group's noncurrent receivables' net value amounts to € 21.690 thousand compared to € 21.536 thousand of the previews period.

There are no real liens on non-current assets or property except the underwriting, amounting to € 1.200 thousand, on the property situated at 6 Loch. Dedousi St., Cholargos, Athens, € 4.000 thousand on the property situated at 302 Mesogeion Ave., € 1.100 thousand on the property situated at Giannitson St., Thessaloniki, as well as, the underwriting amounting to € 650 thousand on the property situated in Romania belonging to the sub-subsidiary Space Hellas System Integrator Srl.

The Groups' inventories of goods, raw and auxiliary materials and consumables amount to € 2.525 thousand compared to € 2.806 thousand of the previews period.

The Group's Trade receivables amount to € 14.605 thousand compared to € 16.078 thousand of the previews period. The continuous effort to increase revenues and reduce the payback time, are two elements that led to this differentiation.

The Group's other receivables amount to € 6.601 thousand compared to € 9.617 thousand of the previews period.

2.1.1.3 Liabilites

BALANCE SHEET (Liabilities)						
	GROUP			COMPANY		
Amount in € thousand	01.01-30.06.2013	01.01-31.12.2012	VARIATION %	01.01-30.06.2013	01.01-31.12.2012	VARIATION %
Total Liabilities	45.421	50.037	0,72%	36.380	40.823	-10,88%
Shareholders' Equity	12.968	12.921	0,36%	11.894	11.690	1,75%
Long term loans	8.965	8.233	8,89%	2.283	1.518	50,40%
Other long term liabilities	1.380	1.387	-0,50%	983	981	0,20%
Short term loans	10.629	14.521	-26,80%	10.166	13.937	-27,06%
Other short term liabilities	11.479	12.975	-11,53%	11.054	12.697	-12,94%

** Data of the comparative period was restated due to retrospective application of a new accounting principle (amendment to IAS 19).*

The Shareholders' equity amounts to € 12.968 thousand compare to € 12.921 thousand of year 2012.

The long term loans amount to € 8.965 thousand compare to € 8.233 thousand of year 2012 and concern
a) the long term loan ending at 2015 amounting to € 277 thousand for the finance of the company's operating activities
b) the long term loan ending at 2019 amounting to € 1.131 thousand for the finance of the company's operating activities
c) the long term loan ending at 2017 amounting to € 875 thousand for the finance of the company's operating activities
d) the long term loan ending at 2016 amounting to € 617 thousand contacted by the subsidiary SPACE TECHNICAL CONSTRUCTION BUILDING S.A., for the finance of the company's operating activities
e) the long term loan ending at 2026 amounting to € 5.686 thousand contacted by the subsidiary SPACE TECHNICAL CONSTRUCTION BUILDING S.A., for the finance of the company's operating activities
f) mortgage loan ending at 2020, amounting to € 379 thousand contracted by SPACE HELLAS SYSTEM INTEGRATOR S.R.L. for the purchase of investment building.

The Group's other long term liabilities amount to € 1.380 thousand compared to € 1.387 thousand of year 2012.

The Group's short term loans amount to € 10.629 thousand compared to € 14.521 thousand of year 2012.

The Group's other short term liabilities amount to € 11.479 thousand compared to € 12.975 thousand of year 2012.

Both the Group and the company monitor its Liabilities to ensure consistency in payments and preserve its good reputation

2.1.1.4 Cash Flow

CASH FLOW STATEMENT						
	GROUP			COMPANY		
Amounts in € thousand	01.01-30.06.2013	01.01-30.06.2012	VARIATION %	01.01-30.06.2013	01.01-30.06.2012	VARIATION %
Total cash inflow/(outflow) from operating activities	1.518	-1.409	1.321	-1.393	1.518	-1.409
Total cash inflow/(outflow) from investing activities	-565	-882	-573	-883	-565	-882
Total cash inflow/(outflow) from financing activities	-3.159	1.513	-3.005	1.546	-3.159	1.513

The cash flow from operating activities is positive, amounting to € 1.518 thousand. This resulted from the continuous effort to improve cash flow through the collection of completed projects as well as the reasonable undertaking of new projects.

The cash flow from investing activities, is negative, amounting to € -565 thousand. These funds were used in the implementation of the company's investment plan.

The cash flow from financing activities, is negative, amounting to € -3.159 thousand, as it absorbed the largest part of positive operating cash flows, realizing the goal of reducing short-term debt as well as improving the capital structure of the Group.

2.1.1.5 Performance ratios

	RATIOS	GROUP		COMPANY	
		30/06		30/06	
		2013	2012	2013	2012
A.	**LIQUIDITY RATIOS**				
A1.	CURRENT RATIO	107,34%	106,44%	112,81%	106,91%
A2.	QUICK RATIO	95,92%	95,20%	100,91%	95,63%
A3.	ACID TEST RATIO	8,33%	2,66%	7,11%	2,29%
A4.	WORKING CAPITAL TO CURRENT ASSETS	0,07	0,06	0,11	0,06
B.	**CAPITAL STRUCTURE RATIOS**				
B1.	DEPT TO EQUITY	250,26%	249,88%	205,88%	273,10%
B2.	CURRENT LIABILITIES TO NET WORTH	170,49%	236,22%	178,42%	255,86%
B3.	FIXED ASSETS TO NET WORTH	39,96%	40,02%	48,57%	36,62%
C.	**PROFITABILITY RATIOS**				
C1.	GROSS PROFIT MARGIN	32%	28,90%	31,82%	28,55%
C2.	NET PROFIT MARGIN	1,11%	1,53%	2,27%	1,23%
D.	**OPERATING EXPENSES RATIOS**				
D1.	OPERATING RATIO	96,05%	94,06%	95,99%	94,34%
D2.	LOANS TO TOTAL ASSETS	43,14%	39,36%	34,99%	40,38%

2.1.1.6 Share Capital

The company's shares are ordinary registerd shares and have been listed in ASE since 29.09.2000 in the sector "Telecommunications equipment" under the "Medium and Small Capitalization" category.

Number of shares and nominal value	30.06.2013
Number of ordinary shares	6.456.530
Nominal value each share	1,60 €

2.1.1.7 Own shares

At 30.06.2013, the company does not possess own shares.

2.1.1.8 Dividend policy

Unless the Shareholders' Ordinary General Meeting decides otherwise, according to the current legislation, the company is legally obliged to distribute to its shareholders, at least the 35% of the earnings that are distributable according to IFRS, after the calculation of taxes and legal reserve.

2.1.1.9 Participating interests and investments

Corporate name	Acquisition cost		Ownership percentage		Consolidation method	Country
Amounts in € thousand	30.06.2013	31.12.2012				
Subsidiaries			Direct	Indirect		
SPACE HELLAS (CYPRUS) LTD	34	34	100%		Full Consolidation	Cyprus
METROLOGY HELLAS S.A.	427	427	86,42%		Full Consolidation	Greece
SPACE TECHNICAL CONSTRUCTION BUILDING S.A *	22	22	100%		Full Consolidation	Greece
SPACE ROMANIA REAL ESTATE SRL	22	22		100%	Full Consolidation	Romania
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	946	946		99%	Full Consolidation	Romania
SPACE HELLAS Doo Beograd-Stari Grad**	10	10		100%	Full Consolidation	Serbia
SPACE HELLAS (MALTA) LTD***	5	5		99,98%	Full Consolidation	Malta
Total Subsidiaries	**1.466**	**1.466**				
Associates & Joint Ventures						
JOINT-VENTURE "EMY" MODERNIZATION	389	389	67,5%	-	Equity method	Greece
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	3	3	35%	-	Equity method	Greece
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")	13	13	50%	-	Equity method	Greece
Total Associates & Joint Ventures	**405**	**405**				
Other investments						
MOBICS L.T.D.	150	150	19,32%	-	-	Greece
Total Other investments	**150**	**150**				
Total Shareholding	**2.021**	**2.021**				

* In virtue of the decision of the Annual General Meeting, on 15 October 2012 the company proceeded to the acquisition of the company under the name «SPACE TECHNICAL CONSTRUCTION BUILDING S.A». The company's main activity is the leasing of own & leased property of its subsidiary under the name«SPACE ROMANIA REAL ESTATE A SRL». This integration altered the Group's results in less than 25%.
On 24 December 2012 the Boards of Directors approved the merger of SPACE HELLAS and SPACE TECHNICAL CONSTRUCTION BUILDING S.A. SPACE HELLAS owns all (100%) of the company's shares. On 22 March 2013 the compiled Merger Agreement, got registered at the General Commercial Registry (G.E.M.I.) with code registration number 46537. The merger process has not yet been completed.

** On 25 July 2012 our subsidiary «SPACE HELLAS (CYPRUS) LTD» established a new subsidiary in Serbia under the name «SPACE HELLAS Doo Beograd - Stari Grad», whose main activity is the provision of services in the field of telecommunications. The change induced by this integration in the Group's results, is less than 25%.

*** On 15 October 2012 our subsidiary «SPACE HELLAS (CYPRUS) LTD» established a new subsidiary in Malta under the name «SPACE HELLAS (MALTA) LTD», whose main activity is the provision of services in the field of telecommunications. The change induced by this integration in the Group's results, is less than 25%.

2.1.1.10 Commitments -Guarantees

The contingent liabilities for letters of guarantee granted both for the Company and the Group are the Following:

Contingent Liabilities	Group		Company	
Amounts in € thousand	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Guarantee letters to secure good performance of contract terms *	3.787	4.475	3.787	4.475
Total contingent liabilities	**3.787**	**4.475**	**3.787**	**4.475**

** The guarantee letters to secure good performance issued to joint ventures amounted to € 386 thousand at 30.06.2013 and 31.12.2012.*

2.1.1.11 Excess clause provisions and Disputed claims

There are no cases are that might have significant impact on the financial position both of the Group and the Company.

2.1.1.12 Other contigent liabilities

For the event of tax audit of previews fiscal years, as disclosed in note 4.7.26, a provision amounting to € 122 thousand has been charged regarding only the parent company's current and previews fiscal years which are tax un-audited. For the year 2011 and onwards, the parent company is obliged to obtain an "Annual Certificate ", according to the provisions of article 82, § 5, of N.2238/1994 and related legislation, in order to obtain the tax compliance report issued by its statutory auditors. The same procedure is applicable to the Greek subsidiaries. The remaining domestic Group companies (Note 4.7.26) are in the process of settlement of tax pending affairs, year 2009 included, according to Law 3888/2010.
For the rest of the Group no provision has been formed as the tax audit is expected to have insignificant impact.

2.2 SIGNIFICANT FACTS DURING THE FIRST HALF OF YEAR 2012 AND THEIR IMPACT ON THE FINANCIAL STATEMENTS

Significant facts that took place during the period from 1st January to 30th June 2013 are the following:

- **Shareholders' Ordinary General Meeting at 28-06-2013.**

2.3 RISK MANAGEMENT AND HEADGING POLICY

The Group and the Company in the day to day business, is exposed to a series of financial and business risks and uncertainties associated with both the general economic situation as well as the specific circumstances typical of the industry.

The Group's expertise, its highly trained and skilled staff and its state of the arte equipment, together with the development of new products will allow the Group to maintain its competitive advantage and to penetrate in new markets as well.

Furthermore, continuously adaptive to the new business environment, our structures together with the significant amount of ongoing projects allows to believe that the Group will meet the critical needs of the coming year and will help minimize uncertainties.

The Group is exposed to the following:

Financial Risk Factors

The Group is exposed to various financial risks, including unpredictable fluctuations in exchange rates and interest rates, market risks, credit risks and liquidity risks. The overall risk management program of the Group seeks to minimize the possible adverse effects of these fluctuations on the financial performance of the Group

Risk management policy is applied by the Group's management, through the assessment of the risks associated with the Group's activities and functions and carry out the design of the methodology by selecting the appropriate financial products in order to achieve risk reduction,

The financial instruments used by the Group consist mainly of bank deposits, transactions in foreign currency at current prices or short term currency futures, bank overdrafts, accounts receivable and payable.

- **Foreign Exchange Risk**

The Group's exposure to foreign exchange risk arises from actual or anticipated cash flows in foreign currency (imports - exports). The Group's management constantly monitors the fluctuations and the tendency of foreign

currencies and evaluates each case individually, taking appropriate action where necessary, through agreements against interest rate risks. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities disclosed in a currency different from the entity's functional currency. For the foreign exchange risk which arises from future commercial transactions and recognized assets and liabilities, the company uses currency futures as required.

The main transaction currencies are Euro and USD.

In table below there is sensitivity analysis of the earnings before taxes due to currency exchange rate changes.

sensitivity analysis due to currency exchange rate changes	Currency	Exchange rate variation	Effect on profit before tax
Amounts of a' 2013 in € thousand	USD	2,5%	-160
		-2,5%	160
Amounts of a' 2012 in € thousand	USD	2%	-180
		-2%	180

- **Price Risk**

The Group is not exposed to securities price risk. The Group is exposed in risk due to the variations of the value of the goods used for trade and of the raw-materials used. In order to face the risk of impairment of inventories, a rationalized warehouse management aims to minimize the stock according to progress of the production needs. The level of the inventories in relation to the Group's turnover is significantly low. Our aim is to minimize the warehouse retention time in order to minimize the risk of impairment of inventories. Price risk regarding the new Group's portfolio is limited, concerning only a small part of its assets.

- **Interest Rate Risk**

The fluctuations in the interest rate markets have a moderate impact on the Group's income and the Group's operating cash flows

It is the policy of the Group to continuously review interest rate trends and the tenor of financing needs. In this respect, decisions are made on a case by case basis as to the tenor and the fixed versus floating cost of a new loan. Thus, the amount of short term borrowings is variable. All short term borrowings are based on floating rates. Consequently, the impact of the interest rate (EURIBOR) fluctuations is directly related to the amount of loans.

For medium and long-term loans both the amounts of loans as well as the interest rates are decreasing. Thus the interest rate risk exposure is relatively low.

Nevertheless, in case the capital markets will continue to be instable with liquidity restrictions, the result will be an increased risk to incur higher interest rates and financing expenses or even to have limited funding sources, with negative consequences in the Groups' adaptation ability to the changing economic environment as well as the ability to finance its activities and to provide a sufficient growth rate and performance for its shareholders.

The careful monitoring and the interest risk management decrease the risk of significant impact on profits due to short term fluctuations.

Sensitivity analysis of Group's borrowings due to interest rate changes:

Sensitivity analysis of Group's borrowings due to interest rate changes	Currency	Interest rate variation	Effect on profit before tax
Amounts of a' 2013 in € thousand	EURO	1,5%	-200
		-1,5%	200
Amounts of a' 2012 in € thousand	EURO	1%	-190
		-1%	190

- **Credit Risk**

Credit risk arises from cash and cash equivalents, deposits with banks, derivatives, as well as credit exposure to customers. Trade accounts receivable consist mainly of a large, widespread customer base where the predominant position is held by Banking and Public sectors. The Group's Financial Management Department monitors the financial position of their debtors on an ongoing basis. Each client's credit exposure is monitored by an independent entity, taking into account the client's financial position, the amount of previews transactions and other factors and

tests the credit limits granted to the client. The credit limits granted are fixed taking into account internal and external evaluations and are always within the limits approved by the Board of directors. Taking into account the Group's customer base and the relevant liquidity risk, the exposure at the credit risk will be moderate.
With particular regard to credit risk related to public sector's receivables, this risk is significantly decreased as most if these receivables have been collected. Furthermore, several legislation changes currently made, allow the offsetting of liabilities towards PS with overdue PS receivables. The post-dated collection of receivables is an important issue but is not related to our customers Credit ability.
To minimize this credit risk, the Group operates within an established counterparty policy approved by the Board of Directors, which limits the amount of credit exposure to any one financial institution. Also, as regards money market instruments, the Group only deals with well-established financial institutions of high credit standing.

➢ Liquidity Risk

The Group's liquidity is obtained through the use of available of funding and the raise up of the credit limits received whenever needed in order to finance particular projects (project basis funding). The Group maintains excellent relationships with the Banking institutions and thus ensures adequate funding for the execution of the Group's business plans.
The Group's strategic planning determines the form of funding (short term and long term) as well as the financial tools to be used. Borrowings include the floating and fixed rate outstanding principal at year end plus accrued interest up to maturity.
The table below summarizes the maturity profile of financial liabilities as at 30 June 2013 and 31 December 2012.

Group								
	Total		Less than 1 year		1 to 5 years		>5years	
Amounts in € thousand	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Borrowings	**19.594**	**22.754**	10.629	14.521	4.590	3.559	4.375	4.674
Trade and other payables	**11.488**	**12.988**	11.479	14.513	-	-	9	13

Company								
	Total		Less than 1 year		1 to 5 years		>5years	
Amounts in € thousand	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Borrowings	**12.449**	**15.455**	10.166	13.937	2.283	1.518	-	-
Trade and other payables	**11.334**	**12.978**	11.054	12.697	278	277	2	4

➢ Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its operations.

The group's policy is to maintain leverage goals in line with a high solvency profile.

Gearing ratio	**Group**		**Company**	
Amounts in € thousand	**30.06.2013**	**31.12.2012***	**30.06.2013**	**31.12.2012***
Short term Borrowings	10.629	14.521	10.166	13.937
Long term Borrowings	8.965	8.233	2.283	1.518
Less: cash and cash equivalents	-1.843	-4.049	-1.509	-3.766
Net Debt	**17.751**	**18.705**	**10.940**	**11.689**
Equity *	12.968	12.921	11.894	11.690
Total capital employed	**30.719**	**31.626**	**22.834**	**23.379**
Gearing ratio	**57,78%**	**59,14%**	**47,91%**	**49,99%**

** Data of the comparative period was restated due to retrospective application of a new accounting principle (amendment to IAS 19).*

The gearing ratio decreased to 57,78% compare to 59,14% of year 2012, as a consequence of decrease in the group's cash.

2.4 OTHER INFORMATION

2.4.1 CORPORATE GOVERNANCE

Space Hellas attributes a great importance in the assurance of transparency of processes with regard to its actions and transactions, aiming at the reinforcement of credibility towards the investors. The application of Governance (CG) principles is among the company's policies. This policy in compliance to the current legislation and to the international practice as well, adopted by the Board of Directors, is of pillar importance in order to achieve the corporate goal, thus maximizing the value of company's shares. The Company's Corporate Governance Code is uploaded and available at http://www.space.gr

2.4.2 CERTIFICATIONS

Aiming to customer satisfaction, Space Hellas has a consistent policy towards quality targeting mainly to

- Assure the delivery of high quality products and services fulfilling the technical requirements and in alignment with the market needs.
- The continuous improvement of our products and services in all their aspects as well as the improvement of all the company's business processes

The Company's Quality Management System, established since 1996, and contributes significantly in the accomplishment of the above mentioned aims, through the use of design and monitoring methods for quality performance and standards in all the business processes.

The company has obtained certifications for the application of Quality Management Systems as following:

- Certification for its Quality Management System according to EN ISO 9002:1994 1996 - 1999
- Certification for its Quality Management System according to EN ISO 9001:1994 1999 – 2003
- Certification for its Quality Management System according to EN ISO 9001:2000 2004 - 2009
- Certification for its Quality Management System according to EN ISO 9001:2008 2010 - 2013

Furthermore, in February 2009, the company received the certification ISO/IEC 27001:2005 "Information Security Management Systems (ISMS)" at corporate level, for all of its commercial activities.

This accomplishment is a special distinction enhancing the company's competitive advantage. The Company's Department of Information Security, offers a wide variety of products and services, in accordance with the EU directives, in the field of Certification and Compliance, part of which are the ISO/IEC 27001:2005, ADAE, BS 25999 Business Continuity Management, PCI DSS Standard, Bank of Greece requirements, SOX,

2.4.3 CORPORATE SOCIAL RESPONSIBILITY

The Group is operating in a continuously changing globalised environment, facing the day to day challenges as part of the social and economic process. With regards to the Corporate Social Responsibility (CSR) principles, the Group has assumed free willing commitments beyond the accomplished, common legal and contractual demands. The active care for the people at business and social level is in close relation with the Group's culture. Pillar of the Group's development is its human resource, recognizing that its reputation and the all the successfully completed works are achievements of its staff.

The Management's primary concern is the good working relationships the excellent working environment and the efficient corporate structure. The state of the art equipment allows our employees exploited all of their talents and skills contributing to the Group's success.
The Group's priorities are the continuous improvement of the working conditions, the safety and the training of its employees, contributing in this manner to society. The Group responds to the society needs with donations to Public Benefit foundations.
Finally, the Group, environmentally aware, takes part on the recycling scheme of Collective System of Alternative Management of Waste Materials of Electrical and Electronic Equipment. Furthermore, our providers of electronic equipment certified RoHS (Registration of Hazardous Substances); therefore the packing material is free of Hazardous Substances and heavy metals.

2.5 BUSINESS PROSPECTICES FOR THE SECOND HALF OF YEAR 2013

The ongoing uncertainty at national and worldwide level as well, impose to keep our strategic planning in line with the manageable risk associated to new markets and projects, though preserving our competitive advantage to the existing customer base. Thus, will enable us to maintain a positive trend on EBITDA and respond to eventual increased capital cost as well, in order to achieve positive results after taxes.

A very important success factor for the achievement of the aforementioned goals is the thoroughly examined participation to projects with guaranteed financing, taking into account the existing market's lack of liquidity.
With regard to our expansion abroad, this will be gradual and thoroughly planned. Foreign sales will be limited to added value products which are offering competitive advantage compared to foreign competition (e.g. risk management and security products, teleconference systems e.t.c.) and will be implemented in collaboration with reliable local partners.

2.6 IMPORTANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

The sales to and purchases from related parties are made at normal market prices. There are no transactions of unusual nature or content with significant impact on the Group or the subsidiaries or related parties. All of the transactions with related parties are free of any special condition or clause.

The tables below summarize the transactions and the account balances with related parties carried out during periods a' 2013 and a' 2012 respectively.

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Company	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
SPACE HELLAS (CYPRUS) LTD*	86	-	-	-	86	-	10	140
METROLOGY HELLAS S.A.	8	6	-	-	6	114	-	-
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-	-	247	1.288	309	-	-
Subsidiaries	**94**	**6**	**-**	**247**	**1.380**	**423**	**10**	**140**
JOINT-VENTURE "EMY" MODERNIZATION	-	-	3	70	190	1.266	261	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	124	-	-	-	184	32	14	17
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	-	1	-	-	1.472	1.471
Joint Ventures	**124**	**-**	**3**	**72**	**374**	**1.298**	**1.747**	**1.488**
MOBICS L.T.D.	-	-	-	28	-	-	-	12
SPACE CONSULTING S.A.	-	-	-	60	926	839	-	32
Associates	**-**	**-**	**-**	**88**	**926**	**839**	**-**	**44**
Total Company	**218**	**6**	**3**	**407**	**2.680**	**2.560**	**1.757**	**1.672**

**Group of Companies*

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Group	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
SPACE TECHNICAL CONSTRUCTION BUILDING S.A. *	-	-	-	247	-	309	-	-
Subsidiaries	**-**	**-**	**-**	**247**	**-**	**309**	**-**	**-**
JOINT-VENTURE "EMY" MODERNIZATION	-	-	3	70	190	1.266	261	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	124	-	-	-	184	32	14	17
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	-	1	-	-	1.472	1.471
Joint Ventures	**124**	**-**	**3**	**71**	**374**	**1.298**	**1.747**	**1.488**
MOBICS L.T.D.	-	-	-	28	-	-	-	12
SPACE CONSULTING S.A.	-	-	-	60	926	839	-	32
Associates	**-**	**-**	**-**	**88**	**926**	**839**	**-**	**44**
Total Group	**124**	**-**	**3**	**406**	**1.300**	**2.446**	**1.747**	**1.532**

** The amount of € 1.470 thousand concerns advances for the already assigned project "DORY" (acronym). In 30.6.2012 this liability has been disclosed as a negative item in the receivables from Joint Venture JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA.*

From the above table the transactions between the Company and related parties have been eliminated from the consolidated financial statements.
Both the services from and towards the related parties as well as the sales and purchase of goods are concluded with the same trade terms and conditions as for the non related parties.

Table of Key management compensation:

Amounts in € thousand	Group		Company	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Salaries and other employee benefits	**703**	**721**	**703**	**721**
Receivables from executives and members of the Board	**1**	**5**	**1**	**5**
Payables to executives and member of the Board	**-**	**36**	**-**	**36**

The amounts "Payables to executives and member of the Board" concerns remunerations owed to the Board of directors.

Tables of Guarantees to third parties:

Amounts in € thousand	Group		Company	
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Guarantees to third parties on behalf of subsidiaries and joint ventures	**1.858**	**1.797**	**1.858**	**1.797**
Used guarantees to third parties on behalf of subsidiaries	**0**	**0**	**0**	**0**
Bank guarantee letters	**1.858**	**1.797**	**1.858**	**1.797**

2.7 SIGNIFICANT POST-BALANCE SHEET EVENTS

The composition of the Board of Directors was altered in accordance to Mr. Dimitrios Manolopoulos decision to withdraw from his position as Chairman of the Board of Directors. The new Board of Directors has been constituted of the following members:

- Spyridon D Manolopoulos, President of the Board, executive member
- Paraskevas D. Drosinos Chief Executive Officer, executive member
- Ioannis A. Mertzanis, A' Vice-president of the Board, executive member
- Christos P. Mpellos, B' Vicepreseident, indipendent non executive member
- Georgios P. Lagogiannis, executive member
- Ioannis A. Doulaveris, executive member
- Panagiotis Chr. Mpellos, executive member
- Dimitrios E. Chouchoulis indipendent non-executive member
- Lysandros K. Kapopoulos indipendent non-executive member

The incumbency of the Board od Directors will end at 30.06.2015.

The new Board of Space Hellas, as well as other managers, with continuous presence to the Group for over a decade, share common goals and values, guarantees the continuing success story and the vision of the founders of the Company.

All the information above presented, related to the Company and the Group's financial position can be found in the interim financial statements of 30th June 2013.

Gaia Paasikivi, 28 August 2013

The Board of Directors

3 AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL STATEMENTS

PKF Euroauditing SA.

Accountants &
business advisers

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To the Shareholders of SPACE HELLAS S.A.

Introduction
We have reviewed the accompanying condensed separate and consolidated statement of financial position of "SPACE HELLAS S.A." as at 30 June 2013 and the related condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes comprising the interim financial information, which is an integral part of the six-month financial report of article 5 L. 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal and regulatory requirements
Our review did not identify any inconsistency or non-correspondence of the other information contained in the six-month financial report prepared in accordance with article 5 of Law 3556/2007, with the accompanying financial information.

PKF EUROAUDITING S.A.
Certified Public Accountants
PANNELL KERR FORSTER
124 Kifissias Avenue, 115 26 Athens
S.O.E.L. Reg. No. 132

Athens, 29 August 2013
Certified Public Accountant

DIMOS N. PITELIS
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The PKF International Association is an association of legally independent firms.

4 FINANCIAL STATEMENTS FOR THE PERIOD FROM 1st JANUARY 2013 TO 30th JUNE 2013

4.1 STATEMENT OF TOTAL INCOME

Amounts in € thousand	Note	GROUP				COMPANY			
		01.01-30.06.2013	01.01-30.06.2012	01.04-30.06.2013	01.04-30.06.2012	01.01-30.06.2013	01.01-30.06.2012	01.04-30.06.2013	01.04-30.06.2012
Revenue	4.7.1	21.299	24.417	11.074	13.101	20.472	23.905	10.486	21.299
Cost of sales		-14.483	-17.360	-7.728	-9.016	-13.958	-17.080	-7.358	-14.483
Gross profit/loss		**6.816**	**7.057**	**3.346**	**4.085**	**6.514**	**6.825**	**3.128**	**6.816**
Other income	4.7.2	619	166	261	81	552	167	219	619
Administrative expenses	4.7.3	-2.349	-2.722	-1.311	-1.616	-2.198	-2.651	-1.237	-2.349
Research and development cost	4.7.3	-243	-238	-145	-137	-243	-238	-145	-243
Selling and marketing expenses	4.7.3	-2.290	-2.200	-1.319	-1.134	-2.192	-2.155	-1.268	-2.290
Other expenses	4.7.4	-1.093	-447	-399	-395	-1.059	-428	-369	-1.093
Earnings before taxes, investing and financial results		**1.460**	**1.616**	**433**	**884**	**1.374**	**1.520**	**328**	**1.460**
Interest & other similar income		92	37	72	13	91	36	71	92
Interest and other financial expenses		-1.213	-1.207	-599	-745	-898	-1.190	-422	-1.213
Profit/(loss) from revaluation of investments in subsidiaries - associated companies		-103	-72	-101	-10	-103	-72	-101	-103
Profit/(loss) before taxes		**236**	**374**	**-195**	**142**	**464**	**294**	**-124**	**236**
Taxes	4.7.5	-191	-107	88	-18	-260	-104	22	-191
Profit after taxes (A)		**45**	**267**	**-107**	**124**	**204**	**190**	**-102**	**45**
- Company Shareholders		50	276	-107	130	204	190	-102	94
- Minority Interests in subsidiaries		-5	-9	0	-6	-	-	-	-
Other comprehensive income after taxes									
Currency exchange differences from the consolidation of sub-subsidiaries		1	13	0	6	0	0	0	0
Other comprehensive income after taxes (B)		1	13	0	6	0	0	0	0
Total comprehensive income after taxes (A) + (B)		46	280	-107	130	204	190	-102	94
- Company Shareholders		51	289	-107	136	204	190	-102	94
- Minority Interests in subsidiaries		-5	-9	0	-6	-	-	-	-
Earnings per share - basic (in €)		0.0077	0,0427	-0.0166	0,0201	0.0316	0,0294	-0.0158	0,0147
		SUMMARY OF INCOME STATEMENT							
Profit before interest, taxes, depreciation and amortization (EBITDA)		**1.952**	**2.082**	**680**	**1.119**	**1.834**	**1.984**	**559**	**1.090**
Less depreciation		**492**	**466**	**247**	**235**	**460**	**464**	**231**	**234**
Profit before interest and taxes, (EBIT)		**1.460**	**1.616**	**433**	**884**	**1.374**	**1.520**	**328**	**856**
Profit before taxes		**236**	**374**	**-195**	**142**	**464**	**294**	**-124**	**115**
Profit after taxes		**45**	**267**	**-107**	**124**	**204**	**190**	**-102**	**94**
Other comprehensive income after taxes		**1**	**13**	**0**	**6**	**0**	**0**	**0**	**0**
Total comprehensive income after taxes		**46**	**280**	**-107**	**130**	**204**	**190**	**-102**	**94**

NOTE:

Current period

- *The amount of € 1 thousand, charged directly to Equity, concerns currency exchange differences from the consolidation of sub-subsidiary. SPACE SYSTEM INTEGRATOR S.R.L.*

Comparative period

- *The amount of € 13 thousand charged directly to Equity concerns currency exchange differences from the consolidation of sub-subsidiary. SPACE SYSTEM INTEGRATOR S.R.L.*

**** Data of the comparative period was restated due to retrospective application of a new accounting principle (amendment to IAS 19).***

4.2 FINANCIAL POSITION STATEMENT

Amounts in € thousand	Note	GROUP		COMPANY	
		30.06.2013	31.12.2012	30.06.2013	31.12.2012
ASSETS					
Non-current assets					
Property, plant & equipment	4.7.6	16.572	16.524	8.800	8.742
Investment properties	4.7.8	1.505	1.500	0	0
Goodwill	4.7.9	1.288	1.288	428	428
Intangible assets	4.7.7	1.993	1.890	1.993	1.889
Investments in subsidiaries	4.7.11	0	0	528	484
Investments in associates	4.7.11	278	280	555	555
Other noncurrent receivables		54	54	128	128
Total Non-current assets		**21.690**	**21.536**	**12.442**	**12.230**
Current assets					
Inventories	4.7.12	2.525	2.806	2.525	2.806
Trade debtors	4.7.13	14.605	16.078	13.968	15.725
Other debtors	4.7.14	4.176	4.831	5.356	5.561
Financial assets	4.7.15	153	13	153	13
Advanced payments	4.7.16	429	724	427	722
Cash and cash equivalents	4.7.17	1.843	4.049	1.509	3.766
Total Current assets		**23.731**	**28.501**	**23.938**	**28.593**
TOTAL ASSETS		**45.421**	**50.037**	**36.380**	**40.823**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Share Capital	4.7.18	10.330	10.330	10.330	10.330
Share premium	4.7.18	53	53	53	53
Fair value reserves		1.334	1.334	1.334	1.334
Other Reserves		643	642	671	671
Retained earnings		624	574	-494	-698
Equity attributable to equity holders of the parent		**12.984**	**12.933**	**11.894**	**11.690**
Minority interests		**-16**	**-12**	**-**	**-**
Total equity		**12.968**	**12.921**	**11.894**	**11.690**
Non-current liabilities					
Other non-current liabilities	4.7.20	9	13	280	282
Long term loans	4.7.19	8.965	8.233	2.283	1.518
Provisions	4.7.24	122	122	122	122
Retirement benefit obligations	4.7.21	596	591	581	577
Deferred income tax liability	4.7.22	653	661	0	0
Total Non-current liabilities		**10.345**	**9.620**	**3.266**	**2.499**
Current liabilities					
Trade and other payables	4.7.23	10.291	11.826	9.837	11.616
Income tax payable		1.188	1.149	1.217	1.081
Short-term borrowings		10.629	14.521	10.166	13.937
Total Current liabilities		**22.108**	**27.496**	**21.220**	**26.634**
Total Equity and Liabilities		**45.421**	**50.037**	**36.380**	**40.823**

** Data of the comparative period was restated due to retrospective application of a new accounting principle (amendment to IAS 19).*

4.3 STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Company's Equity

Amounts in € thousand	Share Capital	Share premium	Fair value reserves	Treasury shares	Other Reserves	Retained earnings	Amounts in € thousand
Changes in the Shareholders equity for the period 01/01-30/06/2012							
Balance at 1 January 2012 as previously reported	**10.330**	**53**	**3.435**	**0**	**671**	**-553**	**13.936**
Effect of applying amendments in accounting principle (IAS 19)	**0**	**0**	**0**	**0**	**0**	**-352**	**-352**
Restated balance at 1 January 2012 in accordance with IFRS	**10.330**	**53**	**3.435**	**0**	**671**	**-905**	**13.584**
Profit for the year	0	0	0	0	0	190	**190**
Share Capital increase/ (decrease)	0	0	0	0	0	0	**0**
Dividends distributed (profits)	0	0	0	0	0	0	**0**
Net income recognized directly in equity	0	0	0	0	0	0	**0**
Treasury shares purchased	0	0	0	0	0	0	**0**
Balance at 30 June 2012	**10.330**	**53**	**3.435**	**0**	**671**	**-715**	**13.774**
Changes in the Shareholders equity for the period 01/01-30/06/2013							
Balance at 1 January 2013 as previously reported	**10.330**	**53**	**1.334**	**0**	**671**	**-352**	**12.036**
Effect of applying amendments in accounting principle (IAS 19)	**0**	**0**	**0**	**0**	**0**	**-346**	**-346**
Restated balance at 1 January 2013 in accordance with IFRS	**10.330**	**53**	**1.334**	**0**	**671**	**-698**	**11.690**
Profit for the year	0	0	0	0	0	204	**204**
Share Capital increase/ (decrease)	0	0	0	0	0	0	**0**
Dividends distributed (profits)	0	0	0	0	0	0	**0**
Net income recognized directly in equity	0	0	0	0	0	0	**0**
Treasury shares purchased	0	0	0	0	0	0	**0**
Balance at 30 June 2013	**10.330**	**53**	**1.334**	**0**	**671**	**-494**	**11.894**

NOTE : ** Data of the comparative period presented in the Statement of Changes restated the retrospective application of a new accounting principle (amendment to IAS 19).*

Statement of Changes in Group's Equity:

Amounts in € thousand	Share Capital	Share premium	Fair value reserves	Treasury shares	Other Reserves	Accumulated profit / (loss)	Total Parent company	Non controlling interests	Total equity*
Changes in the Shareholders equity for the period 01/01-30/06/2011									
Balance at 1 January 2012 as previously reported	**10.330**	**53**	**3.435**	**0**	**630**	**591**	**15.039**	**34**	**15.073**
Effect due to changes in accounting principle (IAS 19)	**0**	**0**	**0**	**0**	**0**	**-352**	**-352**	**0**	**-352**
Revised Balance as at 1 January 2012 in accordance with IFRS	**10.330**	**53**	**3.435**	**0**	**630**	**239**	**14.687**	**34**	**14.721**
Profit for the year	0	0	0	0	0	276	**276**	-9	**267**
Share Capital increase/ (decrease)	0	0	0	0	0	0	**0**	0	**0**
Dividends distributed (profits)	0	0	0	0	0	0	**0**	0	**0**
Net income recognized directly in equity	0	0	0	0	13	0	**13**	0	**13**
Treasury shares purchased	0	0	0	0	0	0	**0**	0	**0**
Non controlling interests	0	0	0	0	0	0	**0**	-29	**-29**
Balance at 30 June 2012	**10.330**	**53**	**3.435**	**0**	**637**	**515**	**14.976**	**4**	**14.972**
Changes in the Shareholders equity for the period 01/01-30/06/2012									
Balance at 1 January 2013 as previously reported	**10.330**	**53**	**1.334**	**0**	**642**	**925**	**13.284**	**-12**	**13.272**
Effect due to change in accounting principle (IAS 19)	**0**	**0**	**0**	**0**	**0**	**-351**	**-351**	**0**	**-351**
Revised Balance as at 1 January 2012 in accordance with IFRS	**10.330**	**53**	**1.334**	**0**	**642**	**574**	**12.933**	**-12**	**12.921**
Profit for the year	0	0	0	0	0	50	**50**	-5	**45**
Share Capital increase/ (decrease)	0	0	0	0	0	0	**0**	0	**0**
Dividends distributed (profits)	0	0	0	0	0	0	**0**	0	**0**
Net income recognized directly in equity	0	0	0	0	1	0	**1**	1	**2**
Treasury shares purchased	0	0	0	0	0	0	**0**	0	**0**
Non controlling interests	0	0	0	0	0	0	**0**	0	**0**
Balance at 30 June 2013	**10.330**	**53**	**1.334**	**0**	**643**	**624**	**12.984**	**-16**	**12.968**

Note

- *The amount of € 1 thousand in the current period and € 13 thousand in the comparative period, charged directly to Equity concerns currency exchange differences from the consolidation of sub-subsidiary. SPACE SYSTEM INTEGRATOR S.R.L.*

NOTE: *Data of the comparative period presented in the Statement of Changes in Equity were restated due to the retroactive application of a new accounting principle (amendment to IAS 19).*

4.4 CASH FLOW STATEMENT

Amounts in € thousand	GROUP		COMPANY	
	01.01-30.06.2013	01.01-30.06.2012*	01.01-30.06.2013	01.01-30.06.2012*
Cash flows from operating activities				
Profit/(Loss) Before Taxes	236	374	464	294
Adjustments for:				
Depreciation & amortization	492	466	460	464
Provisions	-122	-581	-122	-581
Foreign exchange differences	67	38	64	22
Net (profit)/Loss from investing activities	22	-37	9	-33
Interest and other financial expenses	1.213	1.207	898	1.191
Plus or minus for Working Capital changes:				
Decrease/(increase) in Inventories	281	-385	281	-385
Decrease/(increase) in Receivables	3.226	-2.685	2.090	-2.808
(Decrease)/increase in Payables (excluding banks)	-2.543	1.734	-1.824	1.967
Less:				
Interest and other financial expenses paid	-1.184	-1.207	-869	-1.191
Taxes paid	-170	-333	-130	-333
Total cash inflow/(outflow) from operating activities (a)	**1.518**	**-1.409**	**1.321**	**-1.393**
Cash flow from Investing Activities				
Acquisition of subsidiaries, associated companies, joint ventures and other investments	-1	0	-45	0
Proceeds from sale/liquidation of subsidiaries	-663	-920	-626	-920
Proceeds from sale of tangible and intangible assets	7	2	7	1
Interest received	92	36	91	36
Total cash inflow/(outflow) from investing activities (b)	**-565**	**-882**	**-573**	**-883**
Cash flow from Financing Activities				
Proceeds from Share Capital increase of subsidiaries	0	0	0	0
Proceeds from Borrowings	1.173	2.026	1.131	2.026
Payments of Borrowings	-4.332	-513	-4.136	-480
Total cash inflow/(outflow) from financing activities (c)	**-3.159**	**1.513**	**-3.005**	**1.546**
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**-2.206**	**-778**	**-2.257**	**-730**
Cash and cash equivalents at beginning of period	**4.049**	**1.720**	**3.766**	**1.537**
Cash and cash equivalents at end of period	**1.843**	**942**	**1.509**	**807**

NOTE: **Data of the comparative period restated the retrospective application of a new accounting principle(amendment to IAS 19)*

4.5 GENERAL INFORMATION FOR SPACE HELLAS S.A.

4.5.1 General Information

The company operating under the corporate name "SPACE HELLAS S.A", by virtue of the revised Deed of Association (revision date 08.07.2007) and approved by the Ministry of Development (decision K2-10518), was founded in 1985, (Deed of Association, upon power of attorney n.86369/15.07.1985, approved by the Refecture of Attica, EM 4728/1.8.85, and published in the Official Gazzete of Greece, ΦΕΚ 2929/8.8.85 ΤΑΕ & ΕΠΕ).The company's duration has been set to 100 years, its legal address is Mesogion Ave 312, Agia Paraskevi, Attica, Greece. On 30.06.2008, the descision of the General Meeting, approved by the Ministerial Decision K2 9624/1-9-2008 (registerd in the Societers Anonymes Register at 01.09.2008) and published in the Official Gazette of Greece (ΦΕΚ 10148/3.9.2008 ΤΑΕ & ΕΠΕ), has extended the company's up to year 2049.
The company's S.A. Register Number (AP.M.A.E.) is 13966/06/B/86/95 and the Tax Register Number (ΑΦΜ) is 094149709

4.5.2 Operating Activities

Space Hellas is active in the Telecommunications and Information Technology market, offering a broad spectrum of high technology applications. Covering the needs of each individual customer is our top priority; Space Hellas cooperates with the largest manufacturers on a worldwide scale, offering solutions that meet even the most sophisticated demands. Space Hellas products are addressed to enterprises, telecoms organizations and highly complex, state-of-the-art technology projects.

- Network infrastructure and data networking.
- Telecomunication services at national and international level
- IT Applications and Services
- Enterprise telephony.
- Information and network security systems
- Electromechanical and network infrastructure -computer rooms
- Structured cabling
- Security and surveillance systems
- Telecom network infrastructures
- System Integration
- Mobile telephony selling network
- Research and Development projects at national and international level

4.5.3 Board of Directors

By virtue of the company's decision, dated 04.07.2013, registered in the S.A. register (Ministry of Development decision K2-4277/12-07-2013), the Board of Directors has been constituted of the following members:

- Spyridon D Manolopoulos, President of the Board, executive member
- Paraskevas D. Drosinos Chief Executive Officer, executive member
- Ioannis A. Mertzanis, A' Vice-president of the Board, executive member
- Christos P. Mpellos, B' Vicepreseident, indipendent non executive member
- Georgios P. Lagogiannis, executive member
- Ioannis A. Doulaveris, executive member
- Panagiotis Chr. Mpellos, executive member
- Dimitrios E. Chouchoulis indipendent non-executive member
- Lysandros K. Kapopoulos indipendent non-executive member

The incumbency of the Board od Directors will end at 30.06.2015.

4.5.4 Group Structure

The consolidated financial statements comprise the financial statements of the parent company, its subsidiaries and its associates and Joint ventures. The following table shows the group's companies, which are included in the consolidated financial statements, the ownership percentage and the consolidation method:

Corporate name	Ownership percentage		Consolidation method	Country
Amounts in € thousand	Direct	Indirect		
Subsidiaries				
METROLOGY HELLAS S.A.	86,74%		Full consolidation	Greece
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	100%		Full consolidation	Greece
SPACE HELLAS (CYPRUS) LTD	100%		Full consolidation	Cyprus
SPACE ROMANIA REAL ESTATE SRL		100%	Full consolidation	Romania
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.		99,58%	Full consolidation	Romania
SPACE HELLAS Doo Beograd-Stari Grad		100%	Full consolidation	Serbia
SPACE HELLAS (MALTA) LTD		99,98%	Full consolidation	Malta
Associates & Joint Ventures				
JOINT-VENTURE "EMY" MODERNIZATION	67,5%		Equity method	Greece
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)–SPACE HELLAS	35%		Equity method	Greece
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")	50%		Equity method	Greece
Other investments				
MOBICS L.T.D.	19,32%		-	Greece

4.6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.6.1 GENERAL INFROMATION

The accompanying financial statements of the period from 1st January to 30th June 2013 comprise the individual as well as the consolidated financial statements. SPACE HELLAS S.A is the parent company of the Group. The company's shares are ordinary registered shares and have been listed in ASE since 29.09.2000. The company operates in the IT and Telecommunications market since 1985, offering integrated solutions and services to Private and Public entitles at a national and international level. The company's legal address is Mesogion Ave 312, Agia Paraskevi, Attica, Greece. The URL address is www.space.gr. The interim financial statements of the company and the Group for the six month period ended at 30.06.2013 have been approved by the Board of Directors with the decision No 2327/ 28th August 2013. It should be noted that the published, in the press, brief financial data aim to provide the user with general information but do not present a full picture of the Company's and Group's financial results and position, according to International Accounting Standards. It should be also noted that, for simplification purposes, the published, in the press, brief financial data contain summarizations or reclassifications of certain figures.

4.6.2 BASIS OF PREPARATION

The financial statements of the Group and the Company, approved by the Board of directors on 28.08.2013, have been prepared in accordance with the Going Concern principle and the historical cost convention except for modifications of certain assets (receivables, property) at fair value. These statements fully comply with the International Financial Reporting Standards (I.F.R.S.) including the International Accounting Standards (IAS) and IAS 34 in particular and the issued Interpretations by International Financial Reporting Interpretations Committee (IFRIC), as they have been adopted by the European Union up to 31.12.2012.

The Group first applies the revised IAS 19 which requires amendments of financial results of previous years as mentioned in note 4.8.

The preparation of financial statements, in conformity with IFRS, requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the relative section. The Management must make judgments and estimates regarding the value of assets and liabilities which are uncertain. Estimates and associated assumptions are based mainly on past experience. Actual results may differ from these estimates.

4.6.3 NEW STANDARDS AND INTERPRATATIONS

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2011 except for those standards and interpretations that have mandatory are application for the period starting from 1st January 2012 and onwards. The Group and the company have already adopted these new standards and interpretations from 1st January 2012:

4.6.3.1 Standards and interpretations mandatory for the current period Standards that are not required yet to be applied and not early adopted by the Company.

The following amendments describe the key changes to IFRSs due to the results of the annual improvements project of the IASB published in May 2010. These changes are not expected to have a significant impact on the Group's financial statements.

IFRS 3 "Business Combinations" The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced sharebased payment awards.

IFRS 7 Financial Instruments: The amendments include multiple clarifications related to the disclosure of financial instruments.

IAS 1 Financial Statement Presentation: The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or in the notes.

IAS 27 Separate Financial Statements. The amendment clarifies that the amendments to IAS 21, IAS 28 and IAS 31 resulting from the revision of IAS 27 (2008) should be applied prospectively.

IAS 34 Interim Financial Reporting: The amendment places greater emphasis on the disclosure principles that should be applied in relation to significant events and transactions, including changes to fair value, as well as the need to update relevant information of the most recent annual report.

IFRIC 13 "Customer Loyalty Programmes" The amendment clarifies the meaning of the term 'fair value' in the context of measuring award credits under customer loyalty programmes.

4.6.3.2 Standards and interpretations mandatory after 1st January 2012

IFRS 7 Financial Instruments: Disclosures - Transfers of Financial Assets (applied for annual accounting periods beginning on or after 1 July 2011).
This amendment sets out disclosure requirements for transferred financial assets that are not derecognised in their entirety as well as for transferred financial assets derecognised in their entirety but for which the entity has continuing involvement. Furthermore, it provides guidance on applying the disclosure requirements.

IFRS 9 Financial instruments (applied for annual accounting periods beginning on or after 1 January 2015). IFRS 9 is the first phase of the IASB's (International Accounting Standards Board) plan to replace IAS 39 and refers to the classification and measurement of financial assets and financial liabilities. During the next phases of the project, the IASB will extend IFRS 9 in order to add new requirements for impairment and hedge accounting. The Group is in the process of assessing the effect of IFRS 9 on its financial statements. IFRS 9 cannot be applied earlier by the Group as it has not been endorsed by the European Union. Only once approved will the Group decide if IFRS 9 prior to 1 January 2015.

IFRS 13 Fair Value Measurement (applied for annual accounting periods beginning on or after 1 January 2013). IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on their application if the use is already required by other standards. IFRS 13 provides a precise definition of fair value and guidance on fair value measurement and disclosure requirements of the standard under which making use of fair values. Moreover, the necessary disclosures have been extended to cover all assets and liabilities measured at fair value and not just financial. The standard has not yet been endorsed by the European Union.

IAS 1 Financial Statement Presentation: Presentation of items of Other Comprehensive Income. The amendments to IAS 1 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment has not been adopted yet by the European Union.

IAS 12 Income Taxes (Amended) – Deferred Tax (applied for annual accounting periods beginning on or after 1 January 2012): The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment has not yet been endorsed by the European Union.

IAS 19 Employee Benefits (Amended) The International Accounting Standard Board (IASB) has issued numerous amendments to IAS 19. This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach), to the concept of expected returns on plan assets and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. The Group has changed since year 2010 its accounting policy in order to reflect in a more rational way the Group's financial position, therefore facilitating the transition to the requirements of the revised IAS 19.

IFRS 7 Financial Instruments: Disclosures (Amended) - Offsetting Financial Assets and Financial Liabilities.The amendment is effective for annual periods beginning on or after 1 January 2013. The amendment introduces common disclosure requirements. These disclosures would provide users with information that is useful in evaluating the effect or potential effect of netting arrangements on an entity's financial position. The amendments to IFRS 7 are to be retrospectively applied. This amendment has not yet been endorsed by the EU. Both the Group and the company will not be affected by this amendment expect for possible additional disclosure.

IAS 32 (Amended) Financial Instruments: Presentation (applied for annual accounting periods beginning on or after 1 January 2014): This amendment to the application guidance in IAS 32 clarifies some requirements for offsetting financial assets and liabilities in the statement of financial position. The amendment has not been endorsed yet by the European Union.

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

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is currently assessing the impact of the new standards on its consolidated financial statements.The main provisions are as follows:

IFRS 10 Consolidated Financial Statements. IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control as the determining factor in deciding whether an entity should be consolidated. The standard provides extensive guidance that addresses the different ways in which an entity (investor) can control another entity (investee). The revised definition of control focuses on the need to have both power (the ability to direct the activities that significantly affect the returns) and variable returns (positive, negative or both) before control. The new standard also provides guidance on equity rights and veto (protective rights), as well as on agency / principal relationships.

IFRS 11 Joint Arrangements. IFRS 11 provides a more realistic reflection of joint arrangements by focusing on the rights and obligations, rather than its legal form. The types of agreements are limited to two: joint operations and joint ventures. The method of proportionate consolidation is no longer allowed. The participants in joint ventures are obliged consolidation using the equity method. Entities that participate in joint controlled activities apply accounting methodology similar to that applied currently participants in jointly controlled assets or jointly controlled operations. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

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

IAS 27 (Amended) Separate Financial Statements. The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. Furthermore, the Board relocated to IAS 27 requirements of IAS 28 "Investments in Associates" and IAS 31 "Interests in Joint Ventures" regarding individual financial statements.

IAS 28 (Amended) Investments in Associates and Joint Ventures. The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, as appears from the issue of IFRS 11.

4.6.4 Accounting Methods

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012. The Group first applies the revised IAS 19 which requires amendments of financial results of previous years as mentioned in note 4.8.

4.6.5 Property, Plant And Equipment

Fixed assets are reported in the financial statements at the fair value or at the acquisition cost or deemed cost as determined based on fair values as at the transition dates, less accumulated depreciations and any impairment suffered by the assets. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets

Land and Buildings are measured at fair value as at 31.12.2008, less accumulated depreciation and less any accumulated impairment loss. Land held for the production or management is presented at its fair value. As the useful period of life cannot be determined, the relevant carrying amounts are not subject to depreciation.
The fair value is assessed based on valuations by external independent values every three or four years, unless factors of the market indicate impairment risk of the value, so as to assure that the carrying value does not differ significantly from the fair value.

Other assets are measured at cost less accumulated depreciation and any accumulated impairment losses
Intangible assets include goodwill, concessions and industrial property rights, as well as the computer software. Concessions and industrial property rights are no subject to depreciation because of the difficulty to estimate with accuracy their commercial value.
Depreciation on other assets (except land which is not depreciated) is calculated using the straight-line method over its estimated useful lives, as follows:

Description	Useful live (in years)
Buildings and buildings installations	50
Buildings and buildings installations in third parties	12
Plant and machinery	16
Plant and machinery Leased	10
Furniture	16
Fittings	10
Office equipment	10
Telecommunication equipment	10
Other equipment	10
Electronics equipment	5
Cars	5
Trucks	10
Other means of transportation	5
Intangible assets	5

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

4.6.6 INVESTMENT PROPERTY

Investment properties are held to earn rental income and profit from increased capital value at disposal. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied properties from investment properties.
Investment properties are treated as long-term assets and carried at fair value which represents the open market value, and is tested at the end of the year. Changes in fair values are recorded in net income and are included in other operating income.

4.6.7 IMPAIRMENT OF ASSETS

Assets with an indefinite useful life are not depreciated and are subject to an impairment review annually and when some events suggest that the book value may not be recoverable any resulting difference is charged to the period's results. Assets that are depreciated are subject to an impairment review when there is evidence that their value will not be recoverable. The recoverable value is the greater between the net sales value and the value in use. An impairment loss is recognized by the company when the book value of these assets (or cash generating unit- CGU) is greater than its recoverable amount.
Net sales value is the amount received from the sale of an asset at an arm's length transaction in which participating parties have full knowledge and participate voluntarily, after deducting any additional direct cost for the sale of the asset, while value in use is the present value of estimated future cash flows that are expected to flow into the company from the use of the asset and from its disposal at the end of its estimated useful life.

4.6.8 GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary, joint venture and associate at the date of acquisition.
Goodwill on acquisitions of subsidiaries and joint ventures are included in intangible assets and disclosed at the acquisition cost. This cost equals the consolidation cost that exceeds the company's share to the assets and liabilities of the acquired entity.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

The Group performs its annual impairment test of goodwill as at 31 December. When needed, impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount (typically the value in use) of the cash-generating units is less than their carrying amount an impairment loss is recognized.

4.6.9 CONSOLIDATION

- Subsidiaries

Subsidiaries are entities (including special purpose entities) in which the Group has an interest of more than one half of the voting rights or otherwise has power to govern the financial and operating policies.
Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. Note 1.6(a) outlines the accounting policy on goodwill. The cost of an acquisition is measured as the sum of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquired plus any costs directly attributable to the acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests.
The excess of the cost of acquisition over the fair value of the net assets of the subsidiary acquired is recorded as goodwill. Where the cost of the acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.
Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless cost cannot be recovered. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

- Associates

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

Under this method the Group's share of the post-acquisition profits or losses of associates is recognized in the income statement and its share of post acquisition movements in other reserves is recognized in other reserves. The cumulative post-acquisition movements in balance sheet assets and liabilities are adjusted against the carrying amount of the investment.

- Joint Ventures

Joint ventures are consolidated using the full consolidated method. Under this method the investment is initially recognized at cost and is subsequently valued for the cumulative post-acquisition movements in balance sheet assets and liabilities and adjusted against the carrying amount of the investment. The share of the post-acquisition profits or losses of the joint ventures is recognized in the income statement.

- Other investments

Other investments concern non listed companies with ownership percentage less than 20% and with absence of control on the voting rights. In accordance with IAS 32 and 39 these investments are disclosed in acquisition cost less provisions for impairments...

4.6.10 Inventories

Inventories are stated at the lower between cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. Cost is determined using the weighted average method and includes the cost of acquisition plus other expenses (transport and freights etc). Appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realizable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

4.6.11 Trade Receivables

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

4.6.12 Cash and Cash equivalents

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

4.6.13 Reserves

The company is obliged according to the applicable commercial law 2190/1920 art. 44 and 45 to form as legal reserve of 5% of their annual net profits up to 1/3 of the paid up share capital.. This reserve cannot be distributed during the operational life of the company, but can be used to cover loses.
Based on existing Greek tax law, tax exempt reserves under special laws are exempt from income tax, provided that they are not distributed to shareholders. The Group does not intend to distribute these reserves and has thus not provided for the tax liability that would arise in the event that these reserves were to be distributed. Any distribution from these reserves can only occur following the approval of shareholders in a general meeting and after the applicable taxation is paid by the Company.

4.6.14 Share Capital

All the shares are registered and listed for trading in the Securities Market of the Athens Exchange since 29-9-2000. The Share capital is fully paid up, amounts to 10.330.448,00 € and is divided to 6.456.530 ordinary nominal voting shares of nominal value 1,60 € each.

4.6.15 Revenue and Expense Recognition

Revenue: Revenue comprises the fair value for the sale of goods and services net of value-added tax, rebates and discounts, and after eliminating sales within the Group. Revenue from the sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the buyer (usually upon delivery and customer acceptance) and the realization of the related receivable is reasonably assured. Revenue arising from services is recognized on an accrual basis in accordance with the substance of the relevant agreements

Interest income is recognized on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

Expenses are recognized in the income statement on an accrual basis. Payments realized for Operating leases are transferred in the income statement as expenses, during the time of use of the leased element. The expenses from interest are recognized on an accrued basis.

4.6.16 Provisions

Provisions, according to IAS 37, are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain
The Group recognizes a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.
Restructuring provisions comprise lease termination penalties and employee termination payments, and are recognized in the period in which the Group becomes legally or constructively committed to payment. Costs related to the ongoing activities of the Group are not provided in advance.
Long-term provisions are determined by discounting the expected future cash flows and taking the risks specific to the liability into account.

4.6.17 Borrowings

The incurred cost of bank loans is charged to the period according to IAS 23 Borrowing costs. Borrowings are recognized initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortized cost using the effective yield method.

4.6.18 Employee Benefits

Short-term benefits: Short-term benefits to the employees (apart from the benefits for the termination of the labour relationship) in cash and in goods are recorded for as an expense when they become payable. Any outstanding amount is recorded as a liability, while in the case where the amount already paid exceeds the amount of the benefits; the company records the excess amount as its asset (prepaid expense) only to the extent that the prepayment will lead to the reduction of future payments or to a return.

Benefits after exiting from the service: The benefits comprise defined benefit plans as well as defined contribution plans.

Defined contribution plan: A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

Defined benefit plan: The liability in respect of defined benefit pension or retirement plans, including certain unfunded termination indemnity benefit plans, is the present value of the defined benefit obligation at the balance sheet date minus the fair value of plan assets (where funded) together with adjustments for actuarial gains/ losses and past service cost. The defined benefit obligation is calculated at periodic intervals by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates applicable to high quality corporate bonds or government securities which have terms to maturity approximating the terms of the related liability.
Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans, which exceed 10% of the estimated benefit liability at the beginning of every period, are recognized in other income/expenses in the income statement over the average remaining service lives of the related employees (corridor approach).

4.6.19 Leases

Leases where all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.
Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated

between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment acquired under finance leases are depreciated over the useful life of the asset or the lease term.

4.6.20 Income Tax And Deferred Tax

The tax for the period comprises current income tax and deferred tax, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but have been assessed by the tax authorities in different periods. Income tax is recognized in the income statement of the period, except for the tax relating to transactions that have been booked directly to Equity. In such case the related tax is, accordingly, booked directly to Equity. Current income tax is calculated using the financial statements of every company included in the consolidated financial statements, along with the applicable tax law in the respective countries. The charge from income tax consists in the current income tax calculated upon the results of the Group companies, as they have been reformed in their taxation return applying the applicable tax rate. Deferred income tax is provided in full using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss, it is not accounted for. Deferred income tax assets are recognized only to the extent that is it probable that taxable profits and reversals of deferred tax liabilities will be available against which deductible temporary differences can be utilized. Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income taxation is determined using tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the related deferred income tax liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

4.6.21 Foreign Currency Transactions

Items included in the financial statements of each entity in the Group are measured in the functional currency, which is the currency of the primary economic environment in which each Group entity operates. The consolidated financial statements are presented in Euros, which is the functional, and presentation currency of the Company and the presentation currency of the Group.
Gains or losses resulting from foreign currency re-measurements are reflected in the accompanying statements of income. Gains or losses resulting from transactions are also reflected in the accompanying statements of income.
The operating results and financial position of all group entities (none of which operate in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency at the closing rate at the date of the balance sheet.

4.6.22 Fincancial instruments

Financial instruments at fair value

The financial assets and liabilities reflected on the statement of financial position include cash and cash equivalents, trade and other accounts receivable, investments, trade accounts payable and short and long term liabilities
These accounts are presented as assets, liabilities or equity components based on the substance and the contents of the related contractual agreements from which they are derived. Interest, dividends, profit o losses which result from financial assets or liabilities are recognized as income or expenses, respectively.

The value at which the Group's financial assets and liabilities are disclosed in the financial statements does not differ from their fair value.

4.6.23 Fincancial Risk Management

- **Financial Risk Factors**

The Group's activities give rise to a variety of financial risks, including foreign exchange, interest rate, credit and liquidity risks. The Group's overall risk management program focuses on the volatility of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group as a whole.

Risk management is carried out by the Group's management which evaluates the risk associated to the Group's activities and functions, and designs the policy by using the appropriate financial tools in order to mitigate the risk.

The Group's financial instruments consist mainly of deposits with banks, bank overdrafts, and trade accounts receivable and payable.

- **Foreign Exchange Risk**

The Group's foreign exchange exposure arises from actual or anticipated cash flows (exports/ imports) in currencies other than its base currency.
Exposures related to future trade agreements and recognized elements of assets and liabilities are managed through the use of forward exchange contracts when needed. Exposure arises when trade agreements and recognized elements of assets and liabilities are presented in currencies different from the functional and presentation currency of the Entity, which is the Euro.
The Group has no significant elements for assets and liabilities that are expressed in currency different than the Euro. Thus there is no substantial currency exchange risk.
The main foreign transaction currencies are USD and GBP.

- **Price Risk**

The Group is not exposed to securities price risk. The Group is exposed in risk due to the variations of the value of the goods used for trade and of the raw-materials used. In order to face the risk of impairment of inventories, a rationalized warehouse management aims to minimize the stock according to progress of the production needs. The level of the inventories in relation to the Group's turnover is significantly low.

- **Interest Rate Risk**

The fluctuations in the interest rate markets have a moderate impact on the Group's income and the Group's operating cash flows.
It is the policy of the Group to continuously review interest rate trends and the tenor of financing needs. In this respect, decisions are made on a case by case basis as to the tenor and the fixed versus floating cost of a new loan. Thus, the amount of short term borrowings is variable. All short term borrowings are based on floating rates.
For medium and long-term loans both the amounts of loans as well as the interest rates are decreasing. Thus the interest rate risk exposure is relatively low.

- **Credit Risk**

Trade accounts receivable consist mainly of a large, widespread customer base where the predominant position is held by Banking and Public sectors. The Group's Financial Management Department monitors the financial position of their debtors on an ongoing basis.
Each client's credit exposure is monitored by an independent entity, taking into account the client's financial position, the amount of previews transactions and other factors and tests the credit limits granted to the client. The credit limits granted are fixed taking into account internal and external evaluations and are always within the limits approved by the Board of directors.
Appropriate provision for impairment losses is made for specific credit risks. At the end of year 2011 there was no material credit risk exposure that was not already covered with appropriate doubtful debt provision.
Taking into account the Group's customer base and the relevant liquidity risk, the exposure at the credit risk will be moderate. The post-dated collection of receivables is an important issue but is not related to our customers
credit ability. To minimize this credit risk, the Group operates within an established counterparty policy approved by the Board of Directors, which limits the amount of credit exposure to any one financial institution. Also, as regards money market instruments, the Group only deals with well-established financial institutions of high credit standing.

- **Liquidity Risk**

The Group's aim is to enforce liquidity primarily through the time matching to receivables and payables and secondly through the availability of funding. The monitoring of the budget execution and the prompt response to the budget deviations enables to timely balance cash inflows and outflows. The Group's liabilities due within 6 month period and are all covered with sufficient borrowing and as well collection of receivables.

- **Capital Management**

The primary objective of the Group's capital management is to ensure that it maintains a strong investment grade credit rating and healthy capital ratios in order to support its operations and maximize shareholder value. The group's policy is to maintain leverage targets in line with an investment grade profile.

- **Other operational risk**

A reliable internal Control System has been established by the company's management in order to timely identify potential distortions in the company's commercial activities. The insurance coverage against all risks is deemed to be sufficient. There are no other risks expected that might rise up in the short term for both the Group and the Company.

Moreover, the ability to adjust our activities to new market conditions as well as the level of the ongoing projects allow us to believe that will efficiently face the present critical market and economic conditions maintaining our high quality standards.

4.7 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4.7.1 OPERATING SEGMENTS

Business segment is a distinct part of the Company and the Group which provides products and services subject to different grades of risk and performance that is different from those of other business segments.
Geographical segments provide products or services within a particular economic environment that is subject to risks and performances that are different from those of components operating in other economic environments.
The Group and the company's segments are based on the products and services provided.

- **Primary segment – Business segments**

The Group organizes its activities in three segments:

- Technology providers of solutions and services to the business environment. (Value Added Solutions)
- IT projects (integraton)
- Resellers' network for mobile telecommunications.

The segment consolidated results for the current and previews period are as follows:

GROUP												
	Technology Solutions and Services			Integration projects			Mobile telecommunications			Total		
	30/6			30/6			30/6			30/6		
Amounts in € thousand	2013	2012	VARIATION %	2013	2012	VARIATION %	2013	2012	VARIATION %	2013	2012	VARIATION %
Revenue	18.739	20.857	-10,15%	1.180	2.500	-52,80%	1.380	1.060	30,19%	**21.299**	**24.417**	-12,77
Gross profit	5.960	6.250	-4,64%	396	409	-3,18%	460	398	15,58%	**6.816**	**7.057**	-3,42
EBIT	1.542	1.725	-10,61%	190	264	-28,03%	220	93	136,56 %	**1.952**	**2.082**	-6,29
Earnings before taxes	-	-	-	-	-	-	-	-	-	**236**	**374**	-36,90
Earnings after taxes	-	-	-	-	-	-	-	-	-	**45**	**267**	-83,15

- **Secondary segment – Geographical segment**

The Group's main geographical space is Greece, where the parent company's registed office is lovated.
The subsidiary company «SPACE HELLAS CYPRUS LTD», has its registered offices in Cyprus and is a parent of subsidiaries «SPACE HELLAS SYSTEM INTEGRATOR SRL» headquartered in Romania, «SPACE HELLAS HELLAS Doo Beograd-Stari Grad based in Serbia and SPACE HELLAS (MALTA) LTD based in Malta, with growing activities, though not significant in relation to the totality of the Group.

4.7.2 OTHER OPERATING INCOME

Amounts in € thousand	GROUP		COMPANY	
	01.01-30.06.2013	01.01-30.06.2012	01.01-30.06.2013	01.01-30.06.2012
Income from services rendered to third parties	7	0	7	0
Income from property leases	62	43	34	49
Income from technical equipment leases	235	0	235	0
Government Grants	118	42	118	40
Other operating income	16	51	9	50
Gains from renegotiation of agreements	132	0	132	0
Extraordinary gains	3	1	3	1
Currency exchange gains	43	29	14	27
Income from unused provisions	3	0	0	0
Total other operating income	**619**	**166**	**552**	**167**

4.7.3 Operating Expenses

The administrative expenses, the R&D cost as well as the Distribution cost result to be decreased compared to previews period for 5,39%.

Amounts in € thousand	GROUP		VARIATION %	COMPANY		VARIATION %
	01.01-30.06.2013	01.01-30.06.2012		01.01-30.06.2013	01.01-30.06.2012	
Payroll expenses	2.742	3.093	-11,35%	2.709	3.032	-10,65%
Third parties' fees and expenses	588	605	-2,81%	573	568	0,88%
Third parties' utilities and services	437	683	-36,02%	362	679	-46,69%
Taxes and dues	91	142	-35,92%	75	142	-47,18%
Sundry expenses	637	306	108,17%	558	294	89,80%
Depreciations	347	287	20,91%	317	285	11,23%
Provisions	40	44	-9,09%	39	44	-11,36%
Total operating expenses	**4.882**	**5.160**	-5,39%	**4.633**	**5.044**	-8,15%

4.7.4 Other Operating Expenses

Amounts in € thousand	GROUP		COMPANY	
	01.01-30.06.2013	01.01-30.06.2012	01.01-30.06.2013	01.01-30.06.2012
Extraordinary expenses	25	53	24	53
Loss from currency exchange	110	67	78	48
Provisions for receivables of doubtful collection	958	327	957	327
Extraordinary losses	0	0	0	0
Total other operating expenses	**1.093**	**447**	**1.059**	**428**

4.7.5 Income Tax

The income tax expense imputed the results as following:

Income Tax		GROUP		COMPANY	
Amounts in € thousand	NOTE	30.06.2013	30.06.2012*	30.06.2013	30.06.2012*
Current Income Tax		-199	-142	-266	-126
Provision charged for the tax unaudited fiscal years		0	0	0	0
Deferred tax imputed to results	4.7.22	8	35	6	22
Total		**-191**	**-107**	**-260**	**-104**

**Revised after amendment to IAS 19.*

Tax compliance Report

For the year 2011 onwards, the Greek Societe Anonyme and Limited Liability Companies whose annual financial statements are subject to audit, are obliged to obtain an "Annual Certificate ", according to the provisions of article 82, § 5, of N.2238/1994, which is issued following a tax audit conducted by the statutory auditor or audit firm that audits the annual financial statements. Upon completion of tax audit, the statutory auditor or audit firm issues "Tax Compliance Report" and then submits electronically to the Ministry of Finance within ten days of the closing date of approval of the company's balance sheet by the General Assembly. The Treasury Department will select a sample of companies at least 9% for follow up audits executed by the competent supervisory authorities of the Ministry. This follow up audit should be completed within a period not later than eighteen months from the date of the submission of the "Tax Compliance Report" to the Ministry of Finance.
Under the new tax law 4110/2013, the rate of corporate income tax is set at 26% for fiscal year 2013 and beyond.

4.7.6 Property, Plant And Equipment

Property, Plant and Equipment: Group

Amounts in € thousand	Land	Buildings and buildings installations	Plant and machinery	Motor Vehicles	Furniture's & Fittings	Total
Opening Balance 01.01.2012	**1.955**	**6.910**	**5.290**	**328**	**2.476**	**16.959**
Plus: Additions	0	1	400	9	21	**431**
Minus: Disposals	0	0	1	39	16	**56**
Ending balance 30.06.2012	**1.955**	**6.911**	**5.689**	**298**	**2.481**	**17.334**
Depreciation at 01.01.2012	**0**	**1.348**	**2.728**	**154**	**1.893**	**6.123**
Plus: Depreciation expense	0	126	179	7	68	**380**
Minus: Depreciation of disposed elements	0	0	0	39	16	**55**
Ending balance 30.06.2012	**0**	**1.474**	**2.907**	**122**	**1.945**	**6.448**
Net Book Value at 30.06.2012	**1.955**	**5.437**	**2.782**	**176**	**536**	**10.886**
Opening Balance 01.01.2013	**8.262**	**5.384**	**6.507**	**215**	**2.538**	**22.906**
Plus: Additions	0	111	278	0	37	**426**
Minus: Disposals	0	14	10	1	3	**28**
Ending balance 30.06.2013	**8.262**	**5.481**	**6.775**	**214**	**2.572**	**23.304**
Depreciation at 01.01.2013	**0**	**1.110**	**3.144**	**116**	**2.013**	**6.383**
Plus: Depreciation expense	0	73	216	4	65	**358**
Minus: Depreciation of disposed elements	0	0	5	1	3	**9**
Ending balance 30.06.2013	**0**	**1.183**	**3.355**	**119**	**2.075**	**6.732**
Net Book Value at 30.06.2013	**8.262**	**4.298**	**3.420**	**95**	**497**	**16.572**

Property, Plant and Equipment: Company

Amounts in € thousand	Land	Buildings and buildings installations	Plant and machinery	Motor Vehicles	Furniture's & Fittings	Total
Opening Balance 01.01.2012	**1.955**	**6.910**	**5.219**	**215**	**2.376**	**16.675**
Plus: Additions	0	1	400	9	21	**431**
Minus: Disposals	0	0	1	0	16	**17**
Ending balance 30.06.2012	**1.955**	**6.911**	**5.618**	**224**	**2.381**	**17.089**
Depreciation at 01.01.2012	**0**	**1.348**	**2.678**	**41**	**1.795**	**5.862**
Plus: Depreciation expense	0	126	177	7	68	**378**
Minus: Depreciation of disposed elements	0	0	0	0	16	**16**
Ending balance 30.06.2012	**0**	**1.474**	**2.855**	**48**	**1.847**	**6.224**
Net Book Value at 30.06.2012	**1.955**	**5.437**	**2.763**	**176**	**534**	**10.865**
Opening Balance 01.01.2013	**3.191**	**2.578**	**6.423**	**142**	**2.433**	**14.767**
Plus: Additions	0	111	241	0	37	**389**
Minus: Disposals	0	0	10	1	3	**14**
Ending balance 30.06.2013	**3.191**	**2.689**	**6.654**	**141**	**2.467**	**15.142**
Depreciation at 01.01.2013	**0**	**989**	**3.082**	**43**	**1.911**	**6.025**
Plus: Depreciation expense	0	44	214	4	64	**326**
Minus: Depreciation of disposed elements	0	0	5	1	3	**9**
Ending balance 30.06.2013	**0**	**1.033**	**3.291**	**46**	**1.972**	**6.342**
Net Book Value at 30.06.2013	**3.191**	**1.656**	**3.363**	**95**	**495**	**8.800**

4.7.7 Intangible Assets

The account refers to the acquisition cost for of trademarks, software and other intangible assets. With regard to trademarks, due to the difficulty of a reliable measurement of their commercial value, no amortization has been charged.
The intangible assets of the Group and the company are the following:

Intangible assets of the Group:

Amounts in € thousand	Software	Other intangibles	Software internally developed	Total intangible assets IFRS
Opening Balance 01.01.2012	**1.648**	**284**	**0**	**1.932**
Plus: Additions	186	0	303	489
Minus: Disposals	0	0	0	0
Ending balance 30.06.2012	**1.834**	**284**	**303**	**2.421**
Depreciation at 01.01.2012	**954**	**0**	**0**	**954**
Plus: Depreciation expense	86	0	**0**	**86**
Minus: Depreciation of disposed elements	0	0	**0**	**0**
Ending balance 30.06.2012	**1.040**	**0**	**0**	**1.040**
Net Book Value at 30.06.2012	**794**	**284**	**303**	**1.381**
Opening Balance 01.01.2013	**1.912**	**584**	**549**	**3.045**
Plus: Additions	36	0	202	**238**
Minus: Disposals	0	0	0	**0**
Ending balance 30.06.2013	**1.948**	**584**	**751**	**3.283**
Depreciation at 01.01.2013	**1.140**	**15**	**0**	**1.155**
Plus: Depreciation expense	105	30	0	**135**
Minus: Depreciation of disposed elements	0	0	0	**0**
Ending balance 30.06.2013	**1.244**	**45**	**0**	**1.290**
Net Book Value at 30.06.2013	**703**	**539**	**751**	**1.993**

Intangible assets of the Company:

Amounts in € thousand	Software	Other intangibles	Software internally developed	Total intangible assets IFRS
Opening Balance 01.01.2012	**1.590**	**284**	**0**	**1.874**
Plus: Additions	186	0	303	489
Minus: Disposals	0	0	0	0
Ending balance 30.06.2012	**1.776**	**284**	**303**	**2.363**
Depreciation at 01.01.2012	**896**	**0**	**0**	**896**
Plus: Depreciation expense	86	0	**0**	**86**
Minus: Depreciation of disposed elements	0	0	**0**	**0**
Ending balance 30.06.2012	**982**	**0**	**0**	**982**
Net Book Value at 30.06.2012	**794**	**284**	**303**	**1.381**
Opening Balance 01.01.2013	**1.853**	**584**	**549**	**2.986**
Plus: Additions	36	0	202	**238**
Minus: Disposals	0	0	0	**0**
Ending balance 30.06.2013	**1.889**	**584**	**751**	**3.224**
Depreciation at 01.01.2013	**1.082**	**15**	**0**	**1.097**
Plus: Depreciation expense	104	30	0	**134**
Minus: Depreciation of disposed elements	0	0	0	**0**
Ending balance 30.06.2013	**1.186**	**45**	**0**	**1.231**
Net Book Value at 30.06.2013	**703**	**539**	**751**	**1.993**

4.7.8 INVESTMENT PROPERTIES

The amount of € 1.505 thousand concerns building owned by the subsidiary SPACE HELLAS SYSTEM INTEGRATOR S.R.L. (indirect participation) acquired for rental purposes during the first half of year 2010 and it is disclosed at the acquisition cost. This fair value of this property will be tested on annual basis. The fair value for investments in

urban areas is determined taking into account the market value of similar investments. The building is leased for three years. The rent for the current period amounts to € 29 thousand.

4.7.9 GOODWILL

The Goodwill, amounting to € 1.288 thousand, disclosed among the noncurrent assets, comprises the amount of € 428 thousand from the buyout of the remaining 50% of SPACE PHONE S.A. that took place during year 2007, currently merged by absorption by the parent company, the amount of € 32 thousand from the buyout of the 82,87% of METROLOGY HELLAS S.A. that took place at 25/11/2011 and the amount of € 828 thousand from the buyout of the 100% of SPACE TECHNICAL CONSTRUCTION BUILDING S.A. that took place at 15/10/2012. The acquisition price amounted to € 22 thousand and the fair value of assets acquired and liabilities assumed amounted to € 806 thousand. The goodwill after being tested for impairment and it is disclosed among the company's assets.

4.7.10 LIENS AND PLEDGES

There are no real liens on non-current assets or property except the underwriting, amounting to € 1.200 thousand, on the property situated at 6 Loch. Dedousi St., Cholargos, Athens, € 4.000 thousand on the property situated at 302 Mesogeion Ave., Ag. Paraskeui, € 7.540 thousand on the property situated at 302 Mesogeion Ave., € 1.100 thousand on the property situated at Patriarch Kirillou, Thessalonica ,as well as, the underwriting amounting to € 650 thousand on the property situated in Romania belonging to the sub-subsidiary Space Hellas System Integrator Srl.

4.7.11 SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The company's shareholding in subsidiaries, associates and Joint venture as at 30.06.2013, is disclosed at their acquisition cost less provisions for impairment.

Corporate name	Acquisition cost		Ownership percentage		Consolidation method	Country
Amounts in € thousand	30.06.2013	31.12.2012				
Subsidiaries			Direct	Indirect		
SPACE HELLAS (CYPRUS) LTD	34	34	100%		Full consolidation	Cyprus
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	946	946		99%	Full consolidation	Romania
METROLOGY HELLAS S.A.	471	427	86,74%		Full consolidation	Greece
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.*	22	22	100%		Full consolidation	Greece
SPACE ROMANIA REAL ESTATE SRL	22	22		100%	Full consolidation	Romania
SPACE HELLAS Doo Beograd-Stari Grad**	10	10		100%	Full consolidation	Serbia
SPACE HELLAS (MALTA) LTD***	5	5		99,98%	Full consolidation	Malta
Total Subsidiaries	**1.510**	**1.466**				
Associates & Joint Ventures						
JOINT-VENTURE "EMY" MODERNIZATION	389	389	67,5%	-	Equity method	Greece
JOINT-VENTURE ALKYONA***	-	-	99%	-	Equity method	Greece
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	3	3	35%	-	Equity method	Greece
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")	13	13	50%	-	Equity method	Greece
Total Associates & Joint Ventures	**405**	**405**				
Other investments						
MOBICS L.T.D.	150	150	19,32%	-	-	Greece
Total Other investments	**150**	**150**				
Total Shareholding	**2.065**	**2.021**				

* In virtue of the decision of the Annual General Meeting, on 15 October 2012 the company proceeded to the acquisition of the company under the name «SPACE TECHNICAL CONSTRUCTION BUILDING S.A». The company's main activity is the leasing of own & leased property of its subsidiary under the name«SPACE ROMANIA REAL ESTATE A SRL». This integration altered the Group's results in less than 25%.
On 24 December 2012 the Boards of Directors approved the merger of SPACE HELLAS and SPACE TECHNICAL CONSTRUCTION BUILDING S.A. SPACE HELLAS owns all (100%) of the company's shares. On 22 March 2013 the

compiled Merger Agreement, got registered at the General Commercial Registry (G.E.M.I.) with code registration number 46537. The merger process has not yet been completed.

** On 25 July 2012 our subsidiary «SPACE HELLAS (CYPRUS) LTD» established a new subsidiary in Serbia under the name «SPACE HELLAS Doo Beograd - Stari Grad», whose main activity is the provision of services in the field of telecommunications. The change induced by this integration in the Group's results, is less than 25%.

*** On 15 October 2012 our subsidiary «SPACE HELLAS (CYPRUS) LTD» established a new subsidiary in Malta under the name «SPACE HELLAS (MALTA) LTD», whose main activity is the provision of services in the field of telecommunications. The change induced by this integration in the Group's results, is less than 25%.

**** At 25th September 2012, following the completion if the project for the development of meteorological radar network, the Joint Venture "ALKYONA" was ceased. The impact of this event on the Groups' position was less than 25%

Based on the above mentioned, the Group data are not strictly comparable.

Tables of Guarantees to third parties:

Amounts in € thousand	**Group**		**Company**	
	30.06.2013	**31.12.2012**	**30.06.2013**	**31.12.2012**
Guarantees to third parties on behalf of subsidiaries and joint ventures	**1.858**	**1.858**	**1.858**	**1.858**
Used guarantees to third parties on behalf of subsidiaries	**0**	**0**	**0**	**0**
Bank guarantee letters	**1.858**	**1.858**	**1.858**	**1.858**

Joint Ventures' activities

- Joint Venture "Unisystems – SPACE HELLAS", The aim of the Joint Venture is the development of the IS survey for the Hellenic National Cadastre
- Joint Venture "EMY". The aim is the modernization of the Hellenic National Meteorological Service
- Joint Venture "SPACE HELLAS S.A – KBI IMPULS HELLAS S.A". The scope of this joint venture is the implementation of the assigned, through public bid, project DORY (Development of Infrastructures for the initial service of the needs of agencies in the Public Sector located in remote areas, as regards advanced communication technologies by use of the Hellas Sat – DORY Public Satellite System)

4.7.12 INVENTORIES

Table of inventories of the Group and the company:

Inventories	**Group**		**Company**	
Amounts in Euro thousands	**30.06.2013**	**31.12.2012**	**30.06.2013**	**31.12.2012**
Goods	2.226	2.453	2.226	2.453
Materials	246	285	246	285
Consumables	53	68	53	68
Total inventories	**2.525**	**2.806**	**2.525**	**2.806**

The Group is implementing a set of measures in order to minimize the risk of impairment of inventories due to calamity, fraud etc. Inventories are tested for impairment at the end of the year. When needed, appropriate allowance is made for damaged, obsolete and slow moving items. The write-downs to net realizable value and inventory losses, charged in previews year's results amount to € 21. The level of inventories is determined according to the Group's customer-oriented, strategic warehouse management.

4.7.13 Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all of the amounts due according to the original terms of receivables. The provisions formed are then used for the cancellation of the receivables of doubtful liquidation.

Trade receivables	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Trade receivables	19.105	20.407	18.410	19.997
Less: Provisions for doubtful liquidation	4.500	4.329	-4.442	4.272
Total trade receivables	**14.605**	**16.078**	**13.968**	**15.725**

Provisions for impairment:

	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Provisions at the beginning of the period	**4.329**	**3.831**	**4.272**	**3.777**
Additions	171	595	170	595
Additions from acquisition of subsidiaries	0	3	0	0
Offsetting of unused provisions	0	0	0	0
Total charged to income	**171**	**598**	**170**	**595**
Cancellation of receivables upon court decision	0	-100	0	-100
Provisions at the end of the period	**4.500**	**4.329**	**4.442**	**4.272**

Aging analysis for receivables:

Trade receivables	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
1 – 90 days	10.292	10.222	9.818	10.222
91 – 180 days	2.153	2.653	1.990	2.300
181 – 360 days	1.010	1.653	1.010	1.653
> 360 days	1.150	1.550	1.150	1.550
Total trade receivables	**14.605**	**16.078**	**13.968**	**15.725**

Aging analysis of related parties' trade receivables:

Receivables from Related parties	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
1 – 90 days	152	0	244	7
91 – 180 days	0	0	0	0
181 – 360 days	0	0	0	0
> 360 days*	840	840	840	840
Total Receivables from Related parties	**992**	**840**	**1.084**	**847**

* The amount concerns mostly public sector's projects at the final acceptance stage which is expected to be collected in a reasonable time period.

The trade receivables' fair value is approximately equal to the book value. The trade receivables after impairment, for both the Group and the company, are fully collectable. The trade receivables accounts are not bearing any interest. The collection of receivables related to projects depends on the completion stage.

4.7.14 Other Receivables

Other receivables of the group and company:

Other receivables	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Cheques receivable	1.288	1.621	1.282	1.616
Cheques receivable at banks as pledge	0	64	0	64
Cheques overdue	1.709	1.709	1.709	1.709
Deducted Taxes & other receivables	116	454	115	447
Salary prepayments	9	2	9	2
Advances to account for	78	3	77	2
Amounts owed from selling of participating interests	33	33	1.321	802
Deferred charges	1.989	2.020	1.940	2.011
Income earned	551	556	551	556
Other receivables	2.241	2.207	265	265
Total other receivables	**8.014**	**8.669**	**7.269**	**7.474**
Less: provisions for doubtful liquidation	3.838	3.838	1.913	1.913
Total other receivables	**4.176**	**4.831**	**5.356**	**5.561**

"Deferred charges" in both the current and the prior year comprise the following:

- Approximately 60% of the costs are related to two large contracts of the company with the Public Administration managed through the "General Secretariat of Sports" and "Information Society", in which there are no defined acceptance stages and thus without any direct relation with invoicing.
- Approximately 30% of the costs are related to foreign firm contractual obligation to cover maintenance contracts of our customers, where such obligations are not in line with the customers' demands having different maturation beyond the year and
- Approximately 10% of the costs are operating costs (rent, insurance, etc.).

Expenses are acknowledged on an accrual basis.

The amount shown in other receivables of the Group "Other receivables " amounting in € 2.225 thousand concerns primarily other receivables of our subsidiary "SPACE TECHNICAL CONSTRUCTION BUILDING S.A." 'for which a provision for bad debtors, has been formed amounting to € 1,925 thousand at a subsidiary level, while a provision of € 204 thousand at a parent company level.

The trade receivables' fair value is approximately equal to the book value. The trade receivables after impairment, for both the Group and the company, **are fully collectable.**

4.7.15 Financial Data

The amount of € 153 thousand, which refers to the financial assets of the current period, mainly concerns shares of National Bank of Greece at fair value.

4.7.16 Prepayments

Prepayments	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Orders placed abroad	187	179	187	179
Prepayments to other creditors	242	545	240	543
Total prepayments	**429**	**724**	**427**	**722**

4.7.17 Cash And Cash Equivalents

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

Cash and Cash equivalents	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Cash on hand	120	105	118	104
Short term Bank deposits	1.723	3.944	1.391	3.662
Total Cash and Cash equivalents	**1.843**	**4.049**	**1.509**	**3.766**

4.7.18 Share Capital

The company's shares are ordinary registerd shares and have been listed in ASE since 29.09.2000.

Number of shares and nominal value	30.06.2012
Number of ordinary shares	6.456.530
Nominal value each share	1,60 €

The earnings per share have been calculated taking into account the weighted average number of ordinary shares in issue which, for the period was 6.456.530.

4.7.19 Long Term Loans

The long term loans concern:

i. Long term loan of € 800 thousand, ending at 2015, for the finance of the company's operating activities The loan amounts to € 277 thousand after the interest and principal payments

ii. Long term loan of € 1.125 thousand, ending at 2019, for the finance of the company's operating activities The loan amounts to € 1.131 thousand after the interest and principal payments

iii. Long term loan of € 1.000 thousand, ending at 2017, for the finance of the company's operating activities The loan amounts to € 875 thousand after the interest and principal payments

iv. Long term loan of € 1.233 thousand, ending at 2016 contacted by the subsidiary SPACE TECHNICAL CONSTRUCTION BUILDING S.A., for the finance of the company's operating activities. The loan amounts to € 617 thousand after the interest and principal payments

v. Long term loan of € 5.976 thousand, ending at 2026 contacted by the subsidiary SPACE TECHNICAL CONSTRUCTION BUILDING S.A., for the finance of the company's operating activities. The loan amounts to € 5.686 thousand after the interest and principal payments

vi. Mortgage loan of € 650 thousand, ending at 2020 contacted by the subsidiary SPACE HELLAS SYSTEM INTEGRATOR S.R.L. on 27th April 2010 for the acquisition of a building as investment property. The loan amounts to € 379 thousand after the interest and principal payments

4.7.20 Other Long Term Liabilites

Liabilities are characterized as long term when they due over 12 months otherwise there are consider as short term liabilities.

Other long term liabilities	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Losses from joint ventures	0	0	278	275
Guarantees received	9	11	2	5
Total Other long term liabilities	**9**	**13**	**280**	**282**

4.7.21 Personell employeed - Employee Benefits

The personnel employed at 30.06.2013 for the Company amounted to 207 and for the Group amounted to 216 persons while as at 30.06.2012 amounted to 206 for the Company and 214 for the Group.

4.7.21.1 Provisions for employees benefits

The Management of the Group, in compliance with IFRS (IAS 19), has appointed an independent actuary firm to assess the Group' s liabilities arising from the obligation to pay termination indemnities. The details and principal assumptions of the actuarial study have as follows:

Accounting disclosures according to IAS 19	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Present value of unfunded obligations	595	591	581	577
Net liability disclosed	**595**	**591**	**581**	**577**
Cost charged to income	**5**	**603**	**4**	**587**
Liability recognized in the Statement of financial position				
Net liability – opening balance	591	547	577	533
Benefits paid	-36	-539	-36	-531
Current service cost	27	56	26	55
Interest rate changes	14	28	14	27
Actuarial result	0	499	0	493
Present value of the liability	**596**	**591**	**581**	**577**

The assumptions used are the following:

Assumptions		
1.	Discount interest rate	5% as at 31/12/2012
2.	Average annual long term inflation rate	2% (according to EU, Lisbon convention)
3.	Average annual long term salary growth	3%
4.	Valuation date	30.06.2013
5.	Regular retirement age :	According to the social security fund of each employee
6.	General assumption fro actuarial purpose:	The going concern principle according to IAS (IAS1 para 23)
7.	Valuation method :	Projected Unit Credit Method (IAS19)

4.7.22 Deffered Income Tax

Deferred income taxes are calculated in full on temporary differences under the liability method using the principal tax rates that apply to the countries where the companies of the group operate. The calculation of the deferred taxes both for the Group and the Company are reviewed each year, as the balance on the balance sheet to reflect the effective tax rates.
The charges for the deferred income tax after set-offs are as follows:

Deferred income taxes	Group			
	30.06.2013			
Amounts in Euro thousands	Amounts as at 31.12.2012*	Amounts charged to net profit	Amounts charged to equity	Total
Deferred tax liabilities				
Depreciation rate difference effect	-303	-5	0	-308
Fair value adjustments Property, plant and equipment	-1.349	0	0	-1.349
Depreciation differences from subsidiary	167	0	0	167
Total Deferred tax liabilities	**-1.485**	**-5**	**0**	**-1.490**
Deferred tax assets				
Provisions for Trade and other payables	591	-1	0	590
Post-employment and termination benefits	153	2	0	155
Impairment of Inventories	5	0	0	5
Tax deductible previews years' losses	47	12	0	59
Share premium capitalization expenses	28	0	0	28
Total Deferred tax assets	**824**	**13**	**0**	**837**
Total Deferred tax	**-661**	**8**	**0**	**-653**

Revised after the amendment to IAS 19.

Deferred income taxes	Company			
	30.06.2013			
Amounts in Euro thousands	Amounts as at 31.12.2012*	Amounts charged to net profit	Amounts charged to equity	Total
Deferred tax liabilities				
Depreciation rate difference effect	-301	5	0	-296
Fair value adjustments Property, plant and equipment	-469	0	0	-469
Total Deferred tax liabilities	**-770**	**5**	**0**	**-765**
Deferred tax assets				
Provisions for Trade and other payables	591	0	0	591
Post-employment and termination benefits	150	1	0	151
Impairment of Inventories	5	0	0	5
Tax deductible previews years' losses	0	0	0	0
Share premium capitalization expenses	28	0	0	28
Total Deferred tax assets	**774**	**1**	**0**	**775**
Total Deferred tax	**4**	**6**	**0**	**10**

Revised after the amendment to IAS 19.

The Deferred tax liabilities and deferred tax assets compensate where this is legally possible.

4.7.23 TRADE AND OTHER PAYABLES

Liabilities are characterized as long term when their due is less than 12 months otherwise are considered as long term liabilities.

Trade and other payables	Group		Company	
Amounts in Euro thousands	30.06.2013	31.12.2012	30.06.2013	31.12.2012
Trade payables	4.653	4.637	4.394	4.583
Checks payables	3.054	3.328	2.978	3.248
Customer down payments/advances	1.634	1.955	1.625	1.947
Social security	216	552	197	523
Wages and salaries payable	56	152	50	146
Short-term obligations (Factoring)	573	1.038	573	1.038
Other payables	74	68	3	50
Amounts due to related parties	0	0	0	0
Next year's Income	9	14	9	11
Accrued expenses	15	79	1	67
Purchases under arrangement	7	0	7	0
Other short-term provisions	0	3	0	3
Total Trade and other payables	**10.291**	**11.826**	**9.837**	**11.616**

4.7.24 PROVISIONS

The Group has formed provisions for doubtful trade receivables for the amount of € 4.272 thousand, for doubtful non trade receivables for the amount of € 3.838 thousand, and for obsolete inventories for the amount of € 21 thousand. The provisions are disclosed compensated among the trade and other receivables and the inventories respectively.

	Provision changes for the Group				
Amounts in € thousand	31.12.2012*	New Provisions	Used Provisions	Lower Provisions	30.06.2013
Provisions for extraordinary liabilities and claims	0	0	0	0	0
Provisions for tax unaudited years	122	0	0	0	122
Provisions for employers benefits	591	5	0	0	596
Other provisions	0	0	0	0	0
Total	**713**	**5**	**0**	**0**	**718**

	Provision changes for the Company				
Amounts in € thousand	**31.12.2012***	**New Provisions**	**Used Provisions**	**Lower Provisions**	**30.06.2013**
Provisions for extraordinary liabilities and claims	0	0	0	0	0
Provisions for tax unaudited years	122	0	0	0	122
Provisions for employers benefits	577	4	0	0	581
Other provisions	0	0	0	0	0
Total	**699**	**4**	**0**	**0**	**703**

Revised after the amendment to IAS 19.

4.7.25 DISPUTED CLAIMS

There are no disputed claims that might have significant impact on the financial position both of the Group and the Company.

4.7.26 UNDAUDITED FISCAL YEARS BY THE TAX AUTHORITIES

The unaudited fiscal years by the tax authorities for the companies of the Group are as followed:

Company	**Unaudited year**
SPACE HELLAS S.A.	2009 - 2010
SPACE HELLAS (CYPRUS) LTD	2005 – 2012
METROLOGY HELLAS S.A.	2010 - 2011
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	2010 - 2011
SPACE HELLAS Doo Beograd-Stari Grad	2012
SPACE HELLAS (MALTA) LTD	2012
SPACE HELLAS INTEGRATOR SRL	2010-2012
JOINT-VENTURE "EMY" MODERNIZATION	2010 – 2012
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	2010 - 2012
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")*	2009 - 2012

Although the result of the tax audit cannot be estimated with reliability, the company, using statistical information from previews year's tax audits, has formed a provision for tax unaudited years amounting to € 122. The domestic Group companies are in the process of settlement of tax pending affairs, year 2009 included, according to Law 3888/2010 and a tax audit would have insignificant impact.
According to the provisions of the ministerial decision (FEK 1657/26.7.2011) , for the year 2012, for the parent company, as well as for the subsidiaries, "SPACE TECHNICAL CONSTRUCTION BUILDING S.A." and "METROLOGY HELLAS S.A." , a tax compliance certificate has been issued by the statutory auditors after the completion of tax audit and the tax finalisation of the fiscal year is expected to take place according to provisions of the law.

4.7.27 CONTIGENT EVENTS

4.7.27.1 Commitments -Guarantees

The Group has contingent liabilities in relation to banks as well as other commitments related to ordinary activities. No substantial burden will arise. No additional payments are expected.

The contingent liabilities for letters of guarantee granted both for the Company and the Group are the Following:

Contingent Liabilities	**Group**		**Company**	
Amounts in € thousand	**30.06.2013**	**31.12.2012**	**30.06.2013**	**31.12.2012**

Guarantee letters to secure good performance of contract terms	3.787	4.475	3.787	4.475
Total contingent liabilities	**3.787**	**4.475**	**3.787**	**4.475**

** Including letters of guarantee issued in favour of joint ventures amounting to € 386 thousand as at 30.06.2013 and 31.12.2012.*

4.7.27.2 Excess clause provisions and Disputed claims

There are no cases (note. 4.7.25) that might have significant impact on the financial position both of the Group and the Company.

4.7.27.3 Other contigent liabilities

For the unaudited years, as mentioned in note 4.7.26, there is the risk that the tax authorities' review might result in higher or additional tax obligations. For the event of tax audit of previews fiscal years a provision amounting to € 122 thousand has been charged regarding only the parent company, as for the rest of the Group such an event would have insignificant impact.

4.7.27.4 Operating lease commitments

At 30.06.2013, the company's leases concerned motor vehicles as well as buildings. The minimum future payments based on valid contracts at 30th June 2013 are the following:

Minimum future payments			
Amounts in € thousand	**COMPANY**		
	Up to year	**Up to 5 years**	**Over 5 years**
Motor vehicle	249	299	-
Buildings	51	252	250
Total	**300**	**551**	**250**

Except the above mentioned, there are no other contingent liabilities.

4.7.27.5 Capital comittements

At 30.06.2013 there were no capital commitments for the Group and the Company.

4.7.28 Cash Flow

The cash flow from operating activities is positive, amounting to € 1.518 thousand. This resulted from the continuous effort to improve cash flow through the collection of completed projects as well as the reasonable undertaking of new projects.

The cash flow from investing activities, is negative, amounting to € -565 thousand. These funds were used in the implementation of the company's investment plan.

The cash flow from financing activities, is negative, amounting to € -3.159 thousand, as it absorbed the largest part of positive operating cash flows, realizing the goal of reducing short-term debt as well as improving the capital structure of the Group.

4.7.29 Contingent Events Transactions Between The Company And Related Parties (IAS 24) from 01-01-2013 to 30-06-2013

The sales to and purchases from related parties are made at normal market prices. There are no transactions of unusual nature or content with significant impact on the Group or the subsidiaries or related parties. All of the transactions with related parties are free of any special condition or clause.

The tables below summarize the transactions and the account balances with related parties carried out during periods a' 2013 and a' 2012 respectively.

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Company	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**

SPACE HELLAS (CYPRUS	86	-	-	-	86	-	10	140
METROLOGY HELLAS S.A.	8	6	-	-	6	114	-	-
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-	-	247	1.288	309	-	-
Subsidiaries	**94**	**6**	**-**	**247**	**1.380**	**423**	**10**	**140**
JOINT-VENTURE "EMY" MODERNIZATION	-	-	3	70	190	1.266	261	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	124	-	-	-	184	32	14	17
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	-	1	-	-	1.472	1.471
Joint Ventures	**124**	**-**	**3**	**72**	**374**	**1.298**	**1.747**	**1.488**
MOBICS L.T.D.	-	-	-	28	-	-	-	12
SPACE CONSULTING S.A.	-	-	-	60	926	839	-	32
Associates	**-**	**-**	**-**	**88**	**926**	**839**	**-**	**44**
Total Company	**218**	**6**	**3**	**407**	**2.680**	**2.560**	**1.757**	**1.672**

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Group	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-		247		309		-
Subsidiaries		**-**		**247**		**309**		**-**
JOINT-VENTURE "EMY" MODERNIZATION	-	-	3	70	190	1.266	261	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	124	-	-	-	184	32	14	17
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	-	1	-	-	1.472	1.471
Joint Ventures	**124**	**-**	**3**	**72**	**374**	**1.298**	**1.747**	**1.488**
MOBICS L.T.D.	-	-	-	28	-	-	-	12
SPACE CONSULTING S.A.	-	-	-	60	926	839	-	32
Associates	**-**	**-**	**-**	**88**	**926**	**839**	**-**	**44**
Total Group	**124**	**-**	**3**	**407**	**1.300**	**2.446**	**1.747**	**1.532**

** The amount of € 1.470 thousand concerns advances for the already assigned project "DORY" (acronym). In 30.6.2012 this liability has been disclosed as a negative item in the receivables from Joint Venture JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA.*

From the above table the transactions between the Company and related parties have been eliminated from the consolidated financial statements.

Both the services from and towards the related parties as well as the sales and purchase of goods are concluded with the same trade terms and conditions as for the non related parties.

Table of Key management compensation:

Amounts in € thousand	**Group**		**Company**	
	30.06.2013	**30.06.2012**	**30.06.2013**	**30.06.2012**
Salaries and other employee benefits	**703**	**721**	**703**	**721**
Receivables from executives and members of the Board	**1**	**5**	**1**	**5**
Payables to executives and member of the Board	**-**	**36**	**-**	**36**

The amounts "Payables to executives and member of the Board" concerns remunerations owed to the Board of directors.

Tables of Guarantees to third parties:

Amounts in € thousand	**Group**	**Company**

	30.06.2013	30.06.2012	30.06.2013	30.06.2012
Guarantees to third parties on behalf of subsidiaries and joint ventures	**1.858**	**1.797**	**1.858**	**1.797**
Used guarantees to third parties on behalf of subsidiaries	**0**	**0**	**0**	**0**
Bank guarantee letters	**1.858**	**1.797**	**1.858**	**1.797**

4.8 ADJUSTMENTS AND RECLASSIFICATIONS

SPACE HELLAS applied the amended IAS 19 immediate recognition of defined benefit cost, and therefore adjusted the equity and provisions for employees benefits of previous years as follows:

Earnings after taxes (Amounts in € thousand)	Group		Company	
	30.6.2012	01.04 – 30.06.2012	30.6.2012	01.04– 30.06.2012
Earnings prior to the application of the amended IAS 19	**242**	**107**	**165**	**77**
Effect of the application of the amended IAS 19	31	22	31	22
Adjustment of income taxes	-6	-5	-6	-5
Earnings after the application of the amended IAS 19	**267**	**124**	**190**	**94**

Equity (Amounts in € thousand)	Group		Company	
	31.12.2012	01.01.2012	31.12.2012	01.01.2012
Equity prior to the application of the amended IAS 19	**13.272**	**15.073**	**12.036**	**13.936**
Effect of the application of the amended IAS 19	**-473**	**-480**	**-467**	**-480**
Adjustment of income taxes	**122**	**128**	**121**	**128**
Equity after the application of the amended IAS 19	**12.921**	**14.721**	**11.690**	**13.584**

Provisions for employees benefits (Amounts in € thousand)	31.12.2012	
	Group	Company
Provisions prior to the application of the amended IAS 19	**118**	**110**
Effect of the application of the amended IAS 19	473	467
Provisions after the application of the amended IAS 19	**591**	**577**

4.9 SIGNIFICANT EVENTS

The composition of the Board of Directors was altered in accordance to Mr. Dimitrios Manolopoulos decision to withdraw from his position as Chairman of the Board of Directors. The new Board of Directors has been constituted of the following members:

- Spyridon D Manolopoulos, President of the Board, executive member
- Paraskevas D. Drosinos Chief Executive Officer, executive member
- Ioannis A. Mertzanis, A' Vice-president of the Board, executive member
- Christos P. Mpellos, B' Vicepreseident, indipendent non executive member
- Georgios P. Lagogiannis, executive member
- Ioannis A. Doulaveris, executive member
- Panagiotis Chr. Mpellos, executive member
- Dimitrios E. Chouchoulis indipendent non-executive member
- Lysandros K. Kapopoulos indipendent non-executive member

The incumbency of the Board od Directors will end at 30.06.2015.

The new Board of Space Hellas, as well as other managers, with continuous presence to the Group for over a decade, share common goals and values, guarantees the continuing success story and the vision of the founders of the Company.

4.10 SIGNIFICANT POST-BALANCE SHEET EVENTS

There are no post balance sheet events, concerning the company or the Group, that need to be mentioned.

5 FINANCIAL STATEMENTS AND INFORMATION FROM 1ST JANUARY TO 30TH JUNE 2013

SPACE HELLAS S.A.

Reg. No: 13966/06/B/95
Mesogion Av. 312 Ag. Paraskevi
Financial statement and information for the year 1 January 2013 to 30 June 2013
(In accordance with the Decision 4/507/28.04.2009 of the BoD of the Capital Market Commitee
The following results and information, that arise from the financial statements, provide a general picture of the financial position and financial results of the SPACE HELLAS S.A. Thus we suggest the reader, before entering into any sort of investment decision or other transaction with the company, to gain access to the company's web site, where the financial statements can be downloaded, as well as the Auditor's Review Report.

Prefecture	Ministry of Development, Department of Commerce
Company's web site	http://www.space.gr
Date of approval by the Board of Directors	28 August 2013
	Board of Direcotrs Decisions No 2327
Auditing Company	PKF Euroauditing SA
Certified Auditor Accountant	Dimos N. Pitelis (S.O.E.L. Reg. No 14481)
Type of Auditor's report	Unqualified

Board of Directors	
Manolopoulos Spyridon	President, executive member
Drosinos Paraskevas	CEO, executive member
Mertzanis Ioannis	A`Vice President, ececutive menber
Mpellos Christos	B' Vice President, non executive member
Lagogiannis Georgios	Executive member
Doulaveris Ioannis	Executive member
Mpellos Panagiotis	Executive member
Chouchoulis Dimitrios	Indipendent - non executive menber
Kapopoulos Lysandros	Indipendent - non executive menber

1.1 STATEMENT OF FINANCIAL POSITION

(consolidated and non consolidated) Amounts in € thousand	GROUP 30.06.2013	GROUP 31.12.2012	COMPANY 30.06.2013	COMPANY 31.12.2012
ASSETS				
Property, plant and equipment	16.572	16.524	8.800	8.742
Investment properties	1.505	1.500	0	0
Intangible assets	1.993	1.890	1.993	1.889
Other non current assets	1.620	1.622	1.650	1.600
Inventory	2.525	2.806	2.525	2.806
Receivables (trade debtors)	14.605	16.078	13.968	15.725
Other current assets	6.601	9.617	7.444	10.061
TOTAL ASSETS	45.421	50.037	36.380	40.823
EQUITY AND LIABILITIES				
Share capital	10.330	10.330	10.330	10.330
Other components of equity	2.654	2.603	1.564	1.360
Total equity attributable to owners of the parent (a)	12.984	12.933	11.894	11.690
Non controlling interests (b)	-16	-12	-	-
Total Equity (c) = (a)+(b)	12.968	12.921	11.894	11.690
Long term borrowings	8.965	8.233	2.283	1.518
Long term provisions / Non current liabilities	1.380	1.387	983	981
Short term borrowings	10.629	14.521	10.166	13.937
Other current liabilities	11.479	12.975	11.054	12.697
Total Liabilities (d)	32.453	37.116	24.486	29.133
TOTAL EQUITY AND LIABILITIES (c)+(d)	45.421	50.037	36.380	40.823

1.3 STATEMENT OF CHANGES IN EQUITY

(consolidated and non consolidated) Amounts in € thousand	GROUP 30.06.2013	GROUP 30.06.2012	COMPANY 30.06.2013	COMPANY 30.06.2012
Total equity in the beginning of the year (01.01.2013 and 01.01.2012 accordingly)	12.921	14.721	11.690	13.584
Total comprehensive income after taxes (continued and discontinued operations)	46	280	204	190
Increase / (Decrease) of Share Capital	0	0	0	0
Cancellation of own shares	0	0	0	0
Stock Option Plan Reserve	0	0	0	0
Non controlling interests	1	-29	0	0
Total equity at the end of the year Total equity at the end of the year (30.06.2013 and 30.06.2012 accordingly)	12.968	14.972	11.894	13.774

1.4 CASH FLOW STATEMENT

(consolidated and non consolidated) Amounts in € thousand	GROUP 01.01-30.06.2013	GROUP 01.01-30.06.2012	COMPANY 01.01-30.06.2013	COMPANY 01.01-30.06.2012
Operating Activities :				
Profit before taxes (continued operations)	236	374	464	294
Plus/Less adjustments for :				
Depreciation	492	466	460	464
Provisions	-122	-581	-122	-581
Foreign	67	38	64	22
Net (profit)/Loss from investing activities	22	-37	9	-33
Interest and other financial expenses	1.213	1.207	898	1.191
Plus or minus for Working Capital changes:				
Decrease/(increase) in Inventories	281	-385	281	-385
Decrease/(increase) in Receivables	3.226	-2.685	2.090	-2.808
(Decrease)/increase in Payables (excluding banks)	-2.543	1.734	-1.824	1.967
Less:				
Interest and other financial expenses paid	-1.184	-1.207	-869	-1.191
Taxes paid	-170	-333	-130	-333
Total cash inflow/(outflow) from operating activities (a)	1.518	-1.409	1.321	-1.393
Cash flow from Investing Activities				
Acquisition of subsidiaries, associated companies, joint ventures and other investments	-1	0	-45	0
Purchase of tangible and intangible assets	-663	-920	-626	-920
Proceeds from sale of tangible and intangible assets	7	2	7	1
Interest received	92	36	91	36
Total cash inflow/(outflow) from investing activities (b)	-565	-882	-573	-883
Cash flow from Financing Activities				
Proceeds from share capital increase of subsidiaries	0	0	0	0
Proceeds from Borrowings	1.173	2.026	1.131	2.026
Payments of Borrowings	-4.332	-513	-4.136	-480
Total cash inflow/(outflow) from financing activities (c)	-3.159	1.513	-3.005	1.546
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	-2.206	-778	-2.257	-730
Cash and cash equivalents at beginning of period	4.049	1.720	3.766	1.537
Cash and cash equivalents at end of period	1.843	942	1.509	807

1.2 STATEMENT OF COMPREHENSIVE INCOME

(consolidated and non consolidated) Amounts in € thousand	GROUP 01.01-30.06.2013	GROUP 01.01-30.06.2012	GROUP 01.04.-30.06.2013	GROUP 01.04.-30.06.2012	COMPANY 01.01-30.06.2013	COMPANY 01.01-30.06.2012	COMPANY 01.04.-30.06.2013	COMPANY 01.04.-30.06.2012
Turnover	21.299	24.417	11.074	13.101	20.472	23.905	10.486	12.850
Gross Profit	6.816	7.057	3.346	4.085	6.514	6.825	3.128	3.973
Profit before taxes, financing and investing activity	1.460	1.616	433	884	1.374	1.520	328	856
Profit before taxes	236	374	-195	142	464	294	-124	115
Profit after taxes (A)	45	267	-107	124	204	190	-102	94
- *Owners of the parent*	50	276	-107	130	204	190	-102	94
- *Non controlling interests*	-5	-9	0	-6	-	-	-	-
	45	267	-107	124	204	190	-102	94
Other comprehensive income after taxes (B)	1	13	0	6	-	-	-	-
Total comprehensive income after taxes (A)+(B)	46	280	-107	130	204	190	-102	94
- *Owners of the parent*	51	289	-107	136	204	190	-102	94
- *Non controlling interests*	-5	-9	0	-6	-	-	-	-
Earnings (after taxes) per share - basic in €	0,0077	0,0427	-0,0166	0,0201	0,0316	0,0294	-0,0158	0,0147
Profit before taxes, financing and investing activity and depreciation	1.952	2.082	680	1.119	1.834	1.984	559	1.090

Additional information

1. All the shares are registered and listed for trading in the Securities Market of the Athens Exchange since 29.9.2000. Earnings per share were calculated based on the weighted average number of shares, amounting to 6.456.530 shares.
2. Companies included in the Consolidated Financial Statements, the Group's participation in them as at 30.6.2013, as well as the applied consolidation method, are presented in note 4.7.11 of the Interim Consolidated Financial Statements as at 30.6.2013.
3. The unaudited fiscal years of Space Hellas and the Group companies are listed in note 4.7.26 of the Interim Financial Statements as at 30.6.2013.
4. The company has formed a provison for the tax unaudited years amounting to 122 thousand euro for years 2009 - 2010. For the rest of the Group's companies no provision has been formed as the impact of the additionl tax is deemed to be insignificant (note 4.7.26). There are no other provisions formed (note 4.7.24).
5. There are no disputed claims that might have significant impact on the financial position both of the Group and the Company.
6. There are no other real liens on non-current assets or property except the underwriting of € 1.200 thousand on the property situated at 6 Loch. Dedousi St., (Cholargos, Athens) and the underwritting of € 4.000 thousand on the property situated at 302 Ave. Mesogeion, (Cholargos, Athens) at Company level and € 7.540 thousand on the property situated at 302 Mesogeion Ave., € 1.100 thousand on the property situated at Patriarch Kirillou, Thessalonica ,as well as the underwriting of € 650 thousand on the property in Romania, at Group level.
7. Personnel employed at 30-06-2013: Group was 216 (30.6.2012: 214) and of the Company was 207 (30.6.2012: 206).
8. The same Accounting Policies have been followed as for the financial statements as at 31.12.2012, with the exception of the adjustments and reclassifications imposed by the revised IAS 19. The comparative period of the Financial Statements of the Company and the Group was restated due to the retrospective application of the revised IAS 19, according to the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" as listed in note 4.8 of the Interim Financial Statements as at 30.6.2013.
9. Note 4.3 of the 6-month interim finarcial report refers to the comprehensive income after taxes for the company and the Group.
10. Intercompany transactions for the period from 1 January 2012 to 30 June 2013, according to I.A.S. 24 are as follows

	GROUP	COMPANY
a) Sales of goods and services	0	6
b) Purchases of goods and services	407	407
c) Receivables from related parties	1.749	1.863
d) Payables to related parties	680	820
e) Key management compensations	721	721
f) Receivables from key management	5	5
g) Payables to key management included in above	36	36

The company has guaranteed to financial institutions for bank credit limits for the JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY") up to the amount of € 1.797 thousand for the issuance of letters of guaranty.

Agia Paraskevi, 28 August 2013

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER	CHIEF FINANCIAL	CHIEF ACCOUNTANT
SPYRIDON MANOLOPOULOS	PARASKEVAS DROSINOS	GEORGIOS LAGOGIANNIS	IOANNIS DOULAVERIS	ANASTASIA PAPARIZOU
ID AH 641298	ID A B 275447	ID. A B 291787	ID. A H 073261	ID. AZ 547617
				Lic.No. 0004438 A`Class

We certify that the attached semi-annual financial report includes the Financial Report for the Six month period, from 1st January to 30th June 2013, which has been approved by the Board of Directors of SPACE HELLAS SA on August 28, 2013 and have been published by placement on the internet, at the address http://www.space.gr., and has been signed by the following:

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER	CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTANT
SPYRIDON MANOLOPOULOS	**PARASKEVAS DROSINOS**	**GEORGIOS LAGOGIANNIS**	**IOANNIS DOULAVERIS**	**ANASTASIA PAPARIZOU**