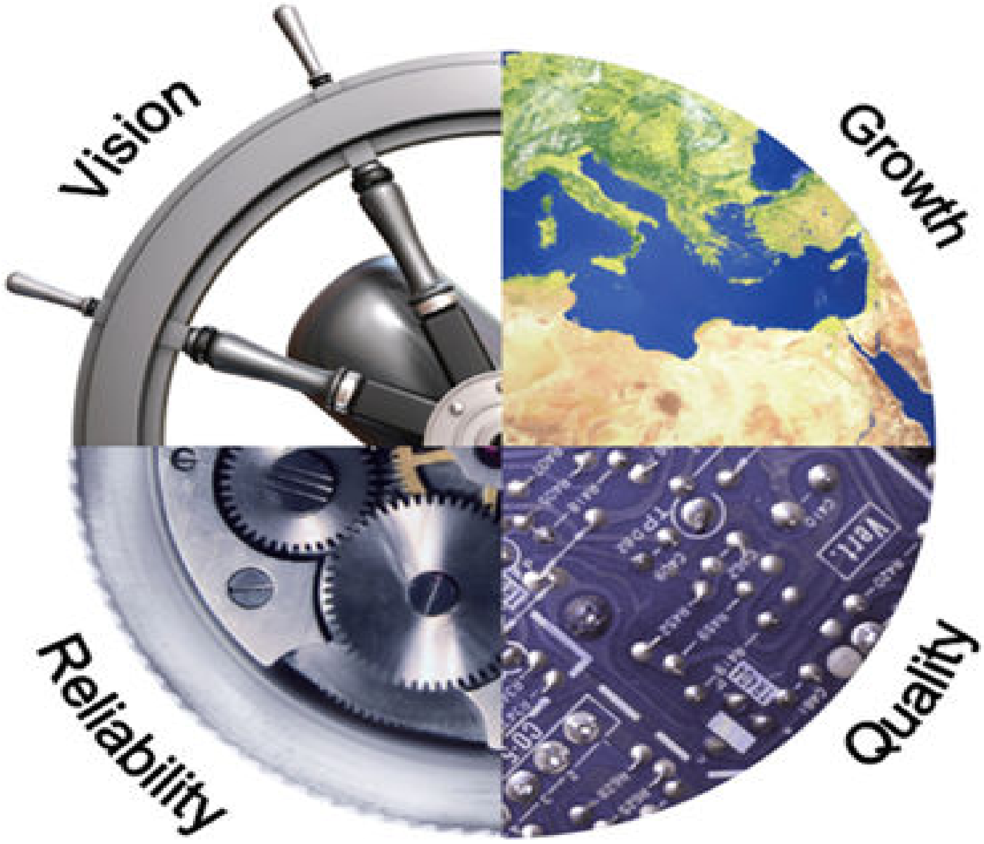

Financial Report for the Six Month Period from 1st January 2011 to 30th June 2011

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

The Financial Report for the Six Month Period from 1st January to 30th June 2011 has been prepared in accordance with art. 5, Law 3556/2007, has been approved by the Board of Directors at 29th August 2011 and has been uploaded at the URL address *www.space.gr*

LIST OF CONTENTS

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

- Dimitrios S. 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 2011, 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, 29 August 2011

The President of the Board	Chief Executive Officer	Member and General Manager
D. Manolopouos ID AZ 549717	P.Drosinos ID AB 275447	G. Lagogiannis ID. AB 291787

2 SEMI-ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL PERIOD 1.1.2011 – 30.06.2011

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, 2011 to June 30, 2011 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 unedited in interim Financial Report of year 2011, 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

In the first half the financial crisis occurred in full extent, with escalating negative consequences both domestically and worldwide, such as the raising of the cost of money, the lack of working capital and the risk of bad debts to be imminent.

Despite these adverse conditions, the Group's management has been adjusted accordingly, and has strengthened the defence mechanisms by strategically reducing the operating costs without affecting productivity, with more comprehensive organization of its internal functions, with strict credit control for avoiding bad debt and by maintaining the desired level of stocks for prompt customer service.

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' 2011 and a' 2010 respectively.

2.1.1.1 Period's total income

TOTAL INCOME STATEMENT						
	GROUP			COMPANY		
Amounts in € thousand	01.01-30.06.2011	01.01-30.06.2010	ΜΕΤΑΒΟΛΗ %	01.01-30.06.2011	01.01-30.06.2010	VARIATION %
Revenue	20.438	22.128	-7,64	20.041	21.823	-8,17
Gross profit/loss	6.138	6.109	0,47	5.926	6.026	-1,66
Gross profit margin	30%	28%		29%	28%	
EBIT	2.103	1.592	32,10	1.900	1.507	26,08
EBITDA	1.672	1.130	47,96	1.469	1.045	40,57
Earnings before taxes	300	270	11,11	116	221	-47,51
Earnings after taxes	189	95	98,95	26	56	-53,57
Other comprehensive income after taxes	-7	-393	-98,22	0	-409	-100,00
Total income after taxes	182	-298	-	26	-353	-

The Group's turnover amounted to € 20.438 thousand compared to € 22.128 thousand of the previews period showing a decline, attributable to the deferred conclusion of the ongoing projects at the second half of the year market's current conditions.

The Group's Gross profit amounted to € 6.138 thousand compared to € 6.109 thousand of the previews period showing a very small increase.

The Group's EBITDA amounted to € 2.103 thousand compared to € 1.592 thousand of the previews period showing an increase of 32,10%, attributable to the strategy of restructuring the operating costs and the continuous effort for cost control and increase of productivity without negative impact on the Group's growth.

The Group's EBIT amounted to € 1.672 thousand compared to € 1.130 thousand of the previews period, showing an increase of 47, 96%.

The Group's earnings before taxes amounted to € 300 thousand compared to € 271 thousand of the previews period. The increase of EBITDA is not fully reflected in the earnings before taxes because of the increased cost of interest for the entire year 2011.

The Group's earnings after taxes amounted to € 189 thousand compared to € 95 thousand of the previews period.

At the company's level, the earnings (EBITDA, EBIT, earnings before and after taxes) are decreased. This is attributable to the decrease of the decrease of the turnover as well as the decrease of the Gross profit margin rather than the increase of expenses.

The other comprehensive income after taxes amounted to € -7 thousand compared to € -393 thousand of the previews period concern the loss from currency exchange differences from the consolidation of subsidiaries.

2.1.1.2 Assets

BALANCE SHEET (Assets)						
	GROUP			COMPANY		
Amounts in € thousand	01.01-30.06.2011	01.01-30.06.2010	VARIATION %	01.01-30.06.2011	01.01-30.06.2010	VARIATION %
Total Assets	54.298	57.462	-51,51	53.638	56.525	-5,11
Total noncurrent receivables	13.381	13.671	-2,12	12.592	12.808	-1,69
Inventories	3.250	3.224	0,81	3.250	3.224	0,81
Trade receivables	29.314	31.981	-8,34	29.062	31.799	-8,61
Other receivables	8.353	8.586	-2,71	8.734	8.694	0,46

The Group's Total Assets amounts to € 54.298 thousand compare to € 57.462 thousand of the previews period.

The Group's noncurrent receivables' net value amounts to € 13.381 thousand compare to € 13.671 thousand of the previews period.

There are no real liens on non-current assets or property except the underwriting, amounting to € 800 thousand, dated 24 September 2008 and the underwriting, amounting to € 400 thousand, dated 10 December 2010 on the property situated at 6 Loch. Dedousi St., Cholargos, Athens as well as, the underwriting amounting to € 650 thousand, dated 27 April 2010, 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 € 3.250 thousand almost at same amount of year 2010 (€ 3.224 thousand).

The Group's Trade receivables amount to € 29.314 thousand compare to € 31.981 thousand of year 2010.

The Group's other receivables amount to € 8.353 thousand compare to € 8.586 thousand of year 2010.

2.1.1.3 Liabilites

BALANCE SHEET (Liabilities)						
	GROUP			COMPANY		
Amount in € thousand	01.01-31.12.2011	01.01-31.12.2010	VARIATION %	01.01-31.12.2011	01.01-31.12.2010	VARIATION %
Total Liabilities	54.298	57.462	-5,51	53.638	56.525	-5,11
Shareholders' Equity	15.066	14.884	1,22	14.071	14.045	0,19
Long term loans	1.575	1.608	-2,05	1.067	1.067	0,00
Other long term liabilities	818	802	2,00	1.434	1.426	0,56
Short term loans	23.558	22.765	3,48	23.558	22.700	3,78
Other short term liabilities	13.281	17.403	-23,69	13.508	17.287	-21,86

The Shareholders' equity amounts to € 15.066 thousand compare to € 14.884 thousand of year 2010.

The long term loans amounts to € 1.575 thousand compare to € 1.608 thousand of year 2010 and concern a) the mortgage loan ending at 2013 for the construction of new premises (4 floor building) on 6 Loch. Dedousi Str., Cholargos, Athens. The loan amounts to € 217 thousand after interest and principal payments, b) the loan of € 850 thousand and 3 years duration after the final bank disbursement, contracted with the European Investment Bank at 21 July 2009. This loan is financing the company's operating activities and c) the loan of € 650 thousand ending at 2020, contracted at 2t April 2010 and received from SPACE HELLAS SYSTEM INTEGRATOR S.R.L. for the purchase of investment building. The loan amounts to € 508 thousand after interest and principal payments.

The Group's other long term liabilities amount to € 818 thousand compare to € 802 thousand of year 2010. The increase is attributed to the increase of the deffered taxation liability.

The Group's short term loans amount to € 23.558 thousand compare to € 22.765 thousand of year 2010 show an increase.

The Group's other short term liabilities amount to € 13.281 thousand compare to € 17.403 thousand of year 2010.

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	01.01-30.06.2011	01.01-30.06.2010	VARIATION %	01.01-30.06.2011	01.01-30.06.2010	VARIATION %
Total cash inflow/(outflow) from operating activities	-2.169	1.290	-268,14	-1.905	1.199	-258,72
Total cash inflow/(outflow) from investing activities	-120	-1.632	-92,65	-120	-645	-81,40
Total cash inflow/(outflow) from financing activities	761	-1.439	-152,88	858	-2.478	-134,62

The cash flow from operating activities is negative, amounting to € -2.169 thousand, attributable mainly to the decrease of the short term liabilities in line with the corporate strategic choice to maintain and strengthen the relationships with the suppliers. Thus, the company absorbs part of the lack of liquidity due to the economic crisis, without significant increase of the banking borrowings.

The cash flow from investing activities, are negative, amounting to € -120 thousand.

The cash flow from financing activities, are positive, amounting to € 761 thousand.

2.1.1.5 Performance ratios

	RATIOS	GROUP		COMPANY	
		30/06		30/06	
		2011	2010	2011	2010
A.	LIQUIDITY RATIOS				
A1.	CURRENT RATIO	111,07%	111,13%	110,74%	109,95%
A2.	QUICK RATIO	102,25%	102,83%	101,97	101,70%
A3.	ACID TEST RATIO	1,17%	6,39%	1,02%	7,13%
A4.	WORKING CAPITAL TO CURRENT ASSETS	0,10	0,10	0,10	0,09
B.	CAPITAL STRUCTURE RATIOS				
B1.	DEPT TO EQUITY	260,42%	269,81%	281,20%	259,69%
B2.	CUERRENT LIABILITIES TO NET WORTH	244,54%	250,29%	263,43%	241,52%
B3.	FIXED ASSETS TO NET WORTH	38,40%	37,06%	35,56%	38,51%
C.	PROFITABILITY RATIOS				
C1.	GROSS PROFIT MARGIN	30,03%	27,61%	29,57%	27,61%
C2.	NET PROFIT MARGIN	1,47%	1,01%	0,58%	1,22%
D.	OPERATING EXPENSES RATIOS				
D1.	OPERATING RATIO	93,88%	95,93%	94,63%	95,70%
D2.	LOANS TO TOTAL ASSETS	46,29%	42,95%	47,06%	42,35%

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	30.06.2011
Number of ordinary shares	6.456.530
Nominal value each share	1,60 €

2.1.1.7 Own shares

At 30.06.2011, 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. For year 2010 there were no distributable earnings.

2.1.1.9 Participating interests and investments

Corporate name	**Acquisition cost**		**Ownership percentage**		**Consolidation method**	**Country**
Amounts in € thousand	**30.06.2011**	**31.12.2010**				
Subsidiaries			**Direct**	**Indirect**		
SPACE HELLAS (CYPRUS) LTD	34	34	100%		Full Consolidation	Cyprus
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	396	396		99%	Full Consolidation	Romania
Total Subsidiaries	**430**	**430**				
Associates & Joint Ventures						
JOINT-VENTURE "EMY" MODERNIZATION	389	389	67,5%	-	Equity method	Greece
JOINT-VENTURE ALKYONA	49	49	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 - KONSTANTINOS SYMPONIS LTD*	-	3	50%	-	Equity method	Greece
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")	13	13	50%	-	Equity method	Greece
Total Associates & Joint Ventures	**454**	**457**				
Other investments						
MOBICS L.T.D.	150	120	19,32%	-	-	Greece
Total Other investments	**150**	**120**				
Total Shareholding	**1.034**	**1.037**				

Note
* Winding up of the joint venture at 16.5.2011

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	**30.06.2011**	**31.12.2010**	**30.06.2011**	**31.12.2010**
Guarantee letters to secure good performance of contract terms *	4.903	5.873	4.903	5.873
Total contingent liabilities	**4.903**	**5.873**	**4.903**	**5.873**

** The guarantee letters to secure good performance issued to joint ventures amounted to€ 571 thousand and € 946 at 30.06.2011 and31.12.2010 respectively.*

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 a provision amounting to € 131 thousand has been charged regarding only the parent company's current and previews fiscal year which are tax un-audited. The company has been tax- audited up to 2008. The remaining domestic Group companies (Note 4.6.31) are in the process of settlement of tax pending affairs, year 2009 included, according to Law 3888/2010.

2.2 SIGNIFICANT FACTS DURING THE FIRST HALF OF YEAR 2010 AND THEIR IMPACT ON THE FINANCIAL STATEMENTS

Significant facts that took place during the period from 1st January to 30th June 2011 are the following:

- **Shareholders' Ordinary General Meeting at 30-06-2011.** The most important issues of the meeting were the following:
  - **Modification of several articles of the association as following:**
    - Article 7, para 2, with regard to the issuance of single of multiple share, without the need to cut them from the special book.
    - Article 10, para 2, with regard to the extraordinary extension of the incumbency of the Board of Directors up to the due time within which the extraordinary General Meeting should be convened.
    - Article 14, para 1 with regard to the meetings of the Board of directors, where the secretary of the board can be either a member of the legal counsel. The secretary is responsible for the keeping of the minutes, recording all the different points of view.
    - Article 15 with regard to the rephrase of the wording in modern Greek
    - Article 17, para 2 and para 3 with regard to cancellation of provision fell in disuse regarding no legally compliant corporate regulations and under oath services.
    - Article 19, para 5 with regard to the replacement of the word "customers" with the words "third parties" in relation to the ordinary corporate contracts, according to art 23a L. 2190/1920.
    - Article 20, para 3 with regard to the necessary information for the invitation of the General Meeting and its publication in summarised form.
    - Article 23, with regard to the publication modality of hanging on the wall the list of the shareholders with voting rights within 24 hours instead of 48 hours
    - Article 24, par 2,3 and 4, with regard to the adjustment according to article 29, para 2 of L 2190/1920, in relation to the publication of the new General Meeting (para 2), to the editorial corrections (para 4), as well as rephrase of provisions 4 and 5 and replacement with the new provision 4, for convocation of the recurrent General Meeting, according to art. 29, para 4, L. 2190/1920.

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 on going 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'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.

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' 2011 in € thousand	USD	1,5%	-130
		-1,5%	130
Amounts of a' 2010 in € thousand	USD	1,5%	-120
		-1,5%	120

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.

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' 2011 in € thousand	EURO	1%	-180
		-1%	180
Amounts of a' 2010 in € thousand	EURO	1%	-180
		-1%	180

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 2009 the there is no material credit risk exposure that is 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 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 2011 and 31 December 2010.

Group								
	Total		Less than 1 year		1 to 5 years		>5years	
Amounts in € thousand	2011	2010	2011	2010	2011	2010	2011	2010
Borrowings	**25.133**	**24.373**	23.558	22.765	1.293	1.261	282	347
Trade and other payables	**13.292**	**17.414**	13.281	17.403	-	-	11	11

Company								
	Total		Less than 1 year		1 to 5 years		>5years	
Amounts in € thousand	2011	2010	2011	2010	2011	2010	2011	2010
Borrowings	**24.625**	**23.767**	23.558	22.700	1.067	1.067	-	-
Trade and other payables	**14.135**	**17.922**	13.508	17.287	616	624	11	11

- **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	**30.06.2011**	**31.12.2010**	**30.06.2011**	**31.12.2010**
Short term Borrowings	23.558	22.765	23.558	22.700
Long term Borrowings	1.575	1.608	1.067	1.067
Less: cash and cash equivalents	-431	-1.959	-378	-1.545
Net Debt	**24.702**	**22.414**	**24.247**	**22.222**
Equity	15.066	14.884	14.071	14.045
Total capital employed	**39.768**	**37.298**	**38.318**	**36.267**
Gearing ratio	**62,12%**	**60,09%**	**63,28%**	**61,27%**

The increase in the gearing ratio for the current period is attributable to the reduction of cash of the company, which was not covered by the reduction of total lending.

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 2011

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' 2011 and a' 2010 respectively.

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Company	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
SPACE HELLAS (CYPRUS						1	470	-
Subsidiaries	**-**	**-**	**-**	**-**	**-**	**1**	**470-**	**-**
JOINT-VENTURE "EMY" MODERNIZATION	40	1	80	40	3.019	3.073	-	-
JOINT-VENTURE ALKYONA	-	-	2	123	771	164	615	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	1	-	2	8	17	17	-	-
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	1	-	-1.470	-1.470	-	-
Joint Ventures	**41**	**1**	**85**	**171**	**2.337**	**1.789**	**615**	**-**
MOBICS L.T.D.	-	-	12	19	-	11	15	-
SPACE CONSULTING S.A.	161	3	-	-	836	793	-	-
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-	245	256	142	717	-	-
SPACE VISION S.A.	-	37	1	118	271	47	-	-
Associates	**161**	**40**	**258**	**393**	**1.249**	**1.568**	**15**	**-**
Total Company	**202**	**41**	**343**	**564**	**3.586**	**3.358**	**1.100**	**-**

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Group	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
JOINT-VENTURE "EMY" MODERNIZATION	40	1	80	40	3.019	3.073	-	-
JOINT-VENTURE ALKYONA	-	-	2	123	771	164	615	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	1	-	2	8	17	17	-	-
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	1	-	-1.470	-1.470	-	-
Joint Ventures	**41**	**1**	**85**	**171**	**2.337**	**1.789**	**615**	**-**
MOBICS L.T.D.	-	-	12	19	-	11	15	-
SPACE CONSULTING S.A.	161	3	-	-	836	793	-	-
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-	245	256	142	717	-	-
SPACE VISION S.A.	-	37	1	118	271	47	-	-
Associates	**161**	**40**	**258**	**393**	**1.249**	**1.568**	**15**	**-**
Total Group	**202**	**41**	**343**	**564**	**3.586**	**3.357**	**630**	**-**

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

The amounts of revenues shown, concern the implementation of wide scale projects conducted through the joint ventures. The great part of the receivables from joint ventures concerns the Joint venture "EMY" MODERNIZATION which is in the final acceptance stage took place at 16 February 2011 and is expected to produce significant collection of these receivables. The company has formed an impairment provision for the amount of € 100 thousand, concerning JOINT-VENTURE ALKYONA.

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**	
	30.06.2011	**30.06.2010**	**30.06.2011**	**30.06.2010**
Salaries and other employee benefits	**675**	**507**	**675**	**507**
Receivables from executives and members of the Board	**18**	**12**	**18**	**12**
Payables to executives and member of the Board	**82**	**191**	**82**	**24**

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**	
	30.06.2011	**30.06.2010**	**30.06.2011**	**30.06.2010**
Guarantees to third parties on behalf of subsidiaries and joint ventures	**2.042**	**3.218**	**2.042**	**3.218**
Used guarantees to third parties on behalf of subsidiaries	**0**	**0**	**0**	**0**
Bank guarantee letters	**2.042**	**3.218**	**2.042**	**3.218**

2.7 SIGNIFICANT POST-BALANCE SHEET EVENTS

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

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 2011.

Agia Paraskevi, 29 August 2011

The Board of Directors

3 AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL STATEMENTS

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. ("the Company") and its subsidiaries as at 30 June 2011 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 SA.

Accountants &
business advisers

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

Athens, 30 August 2011
Certified Public Accountant

ANDREAS G. POURNOS
S.O.E.L. Reg. No. 35081

Tel +30 210 7480600
Fax+30 210 7483600 | Email pkfathen@otenet.gr | www.pkf.com
PKF | 124 Kifissias Ave. | 115 26 Athens | Greece
PKF | 33 Al. Papanastasiou str. | 546 39 Thessaloniki | Greece | Tel Fax +302310 944991
PKF | 4-8 Korinthou str. | 262 23 Patra | Greece | Tel +302610 453669 - 454981 | Fax +30 2610 453448
PKF | 7 D. Bofor | 712 02 Heraclio Crete | Greece | Tel/Fax +30 2810 229383
PKF | 7 I. Staikou str. | 301 00 Agrinio | Greece | Tel +30 26410 59599 | Fax +30 26410 39312

4 FINANCIAL STATEMENTS FOR THE PERIOD FRO 1st JANUARY 2011 TO 30th JUNE 2011

4.1 STATEMENT OF TOTAL INCOME

Amounts in € thousand	Note	GROUP 01.01-30.06.2011	GROUP 01.01-30.06.2010	GROUP 01.04-30.06.2011	GROUP 01.04-30.06.2010	COMPANY 01.01-30.06.2011	COMPANY 01.01-30.06.2010	COMPANY 01.04-30.06.2011	COMPANY 01.04-30.06.2010
Revenue	4.6.7	20.438	22.128	11.182	13.429	20.041	21.823	10.980	13.269
Cost of sales		-14.300	-16.019	-7.757	-10.124	-14.115	-15.797	-7.667	-9.971
Gross profit/loss		**6.138**	**6.109**	**3.425**	**3.305**	**5.926**	**6.026**	**3.313**	**3.298**
Other income	4.6.8	423	177	271	82	392	157	241	62
Administrative expenses	4.6.9	-2.439	-2.385	-1.335	-1.341	-2.423	-2.367	-1.324	-1.326
Research and development cost	4.6.9	-174	-187	-105	-112	-174	-187	-105	-112
Selling and marketing expenses	4.6.9	-2.126	-2.337	-1.127	-1.235	-2.126	-2.337	-1.127	-1.235
Other expenses	4.6.10	-150	-247	-120	-119	-126	-247	-97	-119
Earnings before taxes, investing and financial results		**1.672**	**1.130**	**1.009**	**580**	**1.469**	**1.045**	**901**	**568**
Interest & other similar income		1	108	-23	56	1	94	0	54
Interest and other financial expenses		-1.281	-796	-799	-465	-1.262	-747	-786	-419
Profit/(loss) from revaluation of investments in subsidiaries - associated companies		-92	-171	-50	-24	-92	-171	-50	-24
Profit/(loss) before taxes		**300**	**270**	**137**	**147**	**116**	**221**	**65**	**179**
Taxes	4.6.11	-111	-175	-57	-161	-90	-165	-50	-161
Profit after taxes (A)		**189**	**95**	**80**	**-14**	**26**	**56**	**15**	**18**
- Company Shareholders		187	95	78	-14	26	56	15	18
- Minority Interests in subsidiaries		2	0	2	0	-	-	-	-
Other comprehensive income after taxes									
Currency exchange differences from the consolidation of sub-subsidiaries		-7	15	15	25	0	0	0	0
Cancellation of Stock Option Plan		0	-409	0	-409	0	-409	0	-409
Other comprehensive income after taxes (B)		-7	-393	15	-384	0	-409	0	-409
Total comprehensive income after taxes (A) + (B)		182	-298	95	-398	26	-353	15	-391
- Company Shareholders		180	-298	93	-398	26	-353	15	-391
- Minority Interests in subsidiaries		2	0	2	0	-	-	-	-
Earnings per share - basic (in €)		0,0290	0,0147	0.0121	-0,0022	0,0040	0,087	0,0022	0,0028
					SUMMARY OF INCOME STATEMENT				
Profit before interest, taxes, depreciation and amortization (EBITDA)		**2.103**	**1.592**	**1.222**	**813**	**1.900**	**1.507**	**1.114**	**800**
Less depreciation		**431**	**462**	**213**	**233**	**431**	**462**	**213**	**232**
Profit before interest and taxes, (EBIT)		**1.672**	**1.130**	**1.009**	**580**	**1.469**	**1.045**	**901**	**568**
Profit before taxes		**300**	**270**	**137**	**147**	**116**	**221**	**65**	**179**
Profit after taxes		**189**	**95**	**80**	**-14**	**26**	**56**	**15**	**18**
Other comprehensive income after taxes		**-7**	**-393**	**15**	**-384**	**0**	**-409**	**0**	**-409**
Total comprehensive income after taxes		**182**	**-298**	**95**	**-398**	**26**	**-353**	**15**	**323**

4.2 FINANCIAL POSITION STATEMENT

Amounts in € thousand	Note	GROUP		COMPANY	
		30.06.2011	31.12.2010	30.06.2011	31.12.2010
ASSETS					
Non-current assets					
Property, plant & equipment	4.6.12	11.028	11.293	11.028	11.293
Investment properties	4.6.14	1.000	1.000	0	0
Goodwill	4.6.15	428	428	428	428
Intangible assets	4.6.13	355	403	355	403
Investments in subsidiaries	4.6.17	0	0	34	34
Investments in associates	4.6.17	428	475	605	578
Other noncurrent receivables		142	72	142	72
Total Non-current assets		**13.381**	**13.671**	**12.592**	**12.808**
Current assets					
Inventories	4.6.18	3.250	3.224	3.250	3.224
Trade debtors	4.6.19	29.314	31.981	29.062	31.799
Other debtors	4.6.20	5.763	5.060	6.198	5.582
Financial assets		13	12	13	12
Advanced payments	4.6.21	2.146	1.555	2.145	1.555
Cash and cash equivalents	4.6.22	431	1.959	378	1.545
Total Current assets		**40.917**	**43.791**	**41.046**	**43.717**
TOTAL ASSETS		**54.298**	**57.462**	**53.638**	**56.525**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Share Capital	4.6.23	10.330	10.330	10.330	10.330
Share premium		53	53	53	53
Fair value reserves		3.435	3.435	3.435	3.435
Other Reserves		667	674	671	671
Retained earnings		575	388	-418	-444
Equity attributable to equity holders of the parent		**15.060**	**14.880**	**14.071**	**14.045**
Minority interests		**6**	**4**	**-**	**-**
Total equity		**15.066**	**14.884**	**14.071**	**14.045**
Non-current liabilities					
Other non-current liabilities	4.6.25	11	11	627	635
Long term loans	4.6.24	1.575	1.608	1.067	1.067
Provisions	4.6.29	131	122	131	122
Retirement benefit obligations	4.6.29	51	126	51	126
Deferred income tax liability	4.6.27	625	543	625	543
Total Non-current liabilities		**2.393**	**2.410**	**2.501**	**2.493**
Current liabilities					
Trade and other payables	4.6.28	11.210	15.241	11.493	15.193
Income tax payable		2.071	2.162	2.015	2.094
Short-term borrowings		23.558	22.765	23.558	22.700
Total Current liabilities		**36.839**	**40.168**	**37.066**	**39.987**
Total Equity and Liabilities		**54.298**	**57.462**	**53.638**	**56.525**

4.3 STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Company's Equity

Amounts in € thousand	Share Capital	Share premium	Fair value reserves	Stock option plan reserves	Treasury shares	Other Reserves	Retained earnings	Amounts in € thousand
Changes in the Shareholders equity for the period 01/01-30/06/2010								
Balance at 1 January 2010 as previously reported	**10.530**	**53**	**3.435**	**202**	**-811**	**671**	**129**	**14.209**
Profit for the year	0	0	0	0	0	0	56	**56**
Share Capital increase/ (decrease)	-200	0	0	0	0	0	0	**-200**
Dividends distributed (profits)	0	0	0	0	0	0	0	**0**
Net income recognized directly in equity	0	0	0	0	0	0	0	**0**
Treasury shares purchased	0	0	0	0	0	0	0	**0**
Stock Option Plan formation reserve	0	0	0	0	0	0	0	**0**
Cancellation of Stock Option Plan and own shares	0	0	0	-202	811	0	-409	**200**
Balance at 30 June 2010	**10.330**	**53**	**3.435**	**0**	**0**	**671**	**-224**	**14.264**
Changes in the Shareholders equity for the period 01/01-30/06/2011								
Balance at 1 January 2011 as previously reported	**10.330**	**53**	**3.435**	**0**	**0**	**671**	**-444**	**14.045**
Profit for the year	0	0	0	0	0	0	26	**26**
Share Capital increase/ (decrease)	0	0	0	0	0	0	0	**0**
Dividends distributed (profits)	0	0	0	0	0	0	0	**0**
Net income recognized directly in equity	0	0	0	0	0	0	0	**0**
Treasury shares purchased	0	0	0	0	0	0	0	**0**
Stock Option Plan formation reserve	0	0	0	0	0	0	0	**0**
Balance at 30 June 2011	**10.330**	**53**	**3.435**	**0**	**0**	**671**	**-418**	**14.071**

Notes:

Previews period

- *The General Meeting held at 30 June 2010, decided the cancellation of own shares due to the cancellation of the Stock Option Plan.*

.

Statement of Changes in Group's Equity:

Amounts in € thousand	Share Capital	Share premium	Fair value reserves	Stock option plan reserves	Treasury shares	Other Reserves	Non controlling interests	Accumulated profit / (loss)	Total equity
Changes in the Shareholders equity for the period 01.01-30.06.2010									
Balance at 1 January 2010 as previously reported	**10.530**	**53**	**3.435**	**202**	**-811**	**671**	**0**	**670**	**14.750**
Profit for the year	0	0	0	0	0	0	0	95	**95**
Share Capital increase/ (decrease)	-200	0	0	0	0	0	0	0	**-200**
Dividends distributed (profits)	0	0	0	0	0	0	0	0	**0**
Net income recognized directly in equity	0	0	0	0	0	0	4	0	**4**
Treasury shares purchased	0	0	0	0	0	0	0	0	**0**
Stock Option Plan formation reserve	0	0	0	0	0	0	0	0	**0**
Cancellation of Stock Option Plan and own shares	0	0	0	-202	811	0	0	-409	**200**
Currency exchange differences	0	0	0	0	0	15	0	0	**15**
Balance at 30 June 2010	**10.330**	**53**	**3.435**	**0**	**0**	**686**	**4**	**356**	**14.864**
Changes in the Shareholders equity for the period 01.01-30.06.2011									
Balance at 1 January 2011 as previously reported	**10.330**	**53**	**3.435**	**0**	**0**	**674**	**4**	**388**	**14.884**
Profit for the year	0	0	0	0	0	0	2	187	**189**
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	0	0	0	0	**0**
Treasury shares purchased	0	0	0	0	0	0	0	0	**0**
Currency exchange differences	0	0	0	0	0	-7	0	0	**-7**
Balance at 30 June 2011	**10.330**	**53**	**3.435**	**0**	**0**	**667**	**6**	**575**	**15.066**

Note

- *The amount of € -7 thousand in the current period and € 15 thousand in the previews period, charged directly to Equity concerns currency exchange differences from the consolidation of subsidiary.*
- *The General Meeting held at 30 June 2010, decided the cancellation of own shares due to the cancellation of the Stock Option Plan.*

4.4 CASH FLOW STATEMENT

Amounts in € thousand	GROUP		COMPANY	
	01.01-30.06.2011	01.01-30.06.2010	01.01-30.06.2011	01.01-30.06.2010
Cash flows from operating activities				
Profit/(Loss) Before Taxes	300	270	116	221
Adjustments for:				
Depreciation & amortization	431	462	431	462
Provisions	-1.423	-1.025	-1.423	-1.025
Foreign exchange differences	-130	201	-123	185
Net (profit)/Loss from investing activities	66	56	66	72
Interest and other financial expenses	1.282	796	1.262	747
Plus or minus for Working Capital changes:				
Decrease/(increase) in Inventories	-25	335	-25	335
Decrease/(increase) in Receivables	2.484	952	2.559	946
(Decrease)/increase in Payables (excluding banks)	-3.776	285	-3.415	252
Less:				
Interest and other financial expenses paid	-1.294	-831	-1.274	-782
Taxes paid	-84	-211	-79	-214
Total cash inflow/(outflow) from operating activities (a)	**-2.169**	**1.290**	**-1.905**	**1.199**
Cash flow from Investing Activities				
Acquisition of subsidiaries, associated companies, joint ventures and other investments	-124	-1.754	-124	-754
Proceeds from sale/liquidation of subsidiaries	3	14	3	14
Interest received	1	108	1	95
Total cash inflow/(outflow) from investing activities (b)	**-120**	**-1.632**	**-120**	**-645**
Cash flow from Financing Activities				
Proceeds from Share Capital increase of subsidiaries	0	400	0	0
Proceeds from Borrowings	1.138	1.596	1.137	946
Payments of Borrowings	-377	-3.435	-279	-3.424
Total cash inflow/(outflow) from financing activities (c)	**761**	**-1.439**	**858**	**-2.478**
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**-1.528**	**-1.781**	**-1.167**	**-1.924**
Cash and cash equivalents at beginning of period	**1.959**	**4.341**	**1.545**	**4.206**
Cash and cash equivalents at end of period	**431**	**2.560**	**378**	**2.282**

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 (ΑΡ.Μ.Α.Ε.) 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 01.07.2010, registered in the S.A. register (Ministry of Development decision K2-6435/07-07-2010), the Board of Directors has been constituted of the following members:

- Dimitrios S. Manolopoulos, President of the Board, executive member
- Paraskevas D. Drosinos Chief Executive Officer, executive member
- Christos P. Mpellos, A' Vice-president of the Board, non executive member
- Spyridon D Manolopoulos, B' Vicepreseident, indipendent non executive member
- Georgios P. Lagogiannis 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.

Furthermore, the modification of article 10 of the Association, approved at the Shareholders' Ordinary General Meeting (on 30.06.2009), allows increasing the members of the Board of Directors up to 9 members.

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				
SPACE HELLAS (CYPRUS) LTD	100%		Full consolidation	Cyprus
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.		99%	Full consolidation	Romania
Associates & Joint Ventures				
JOINT-VENTURE "EMY" MODERNIZATION	67,5%		Equity method	Greece
JOINT-VENTURE ALKYONA	99%		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 2011 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 30.06.2011 have been approved by the Board of Directors with the decision No 1956/ 28th August 2011. 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 29.08.2011, 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 31.12.2010.

These interim financial statements offer limited information compared to annual financial statements, and, therefore should be studied together with the last published annual financial statements as at 31.12.2010.
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 International Accounting Standards Board, as well as the IFRIC, have already issued a number of new accounting standards and interpretations whose application is mandatory for the periods beginning January 1, 2009, onwards (except if mentioned otherwise below). The Group's and the Company's Management's assessment regarding the effect of these new standards and interpretations is as follows:

4.6.3.1 Standards and interpretations mandatory for the current period

IAS 24 (Amendment) "Related Party Disclosures" *(effective for annual periods beginning on or after 1 January 2011).* This amendment attempts to relax disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. The Group will apply these changes from their effective date. This amendment has not yet been endorsed by the EU.

IAS 32 (Amendment) "Financial Instruments: Presentation" and IAS 1 (Amendment) "Presentation of Financial Statements" The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. This amendment does not impact the Group's financial statements.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"
This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.

4.6.3.2 Standards and Interpretations effective forr annual periods beginning on or after 1 July 2012

IFRS 7 Financial Instruments: Disclosures (Amended). The amended standard requires additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by the source of inputs, using a three-level hierarchy, by class, for all financial instruments recognized at fair value. In addition, reconciliation between the beginning and ending balance for level 3 fair value measurements is now required, as well as significant transfers between the levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The liquidity risk disclosures are not impacted by the amendments.

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2013) IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.

IFRS 13 "Fair Value Measurement" (Effective for annual periods beginning on or after 1 January 2013) IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012) The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.

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

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013) This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. This amendment has not yet been endorsed by the EU.

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

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

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

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

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

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

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

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 2010.

4.6.4.1 PROPERTY, PLANT AND EQUIPMENT

Fixed assets are reported in the financial statements at the fair value or at the acquisition cost. The assets are initially recognized always at the acquisition cost. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets (price, transport expenses, freights, non deductable taxes e.t.c.) Land and Buildings are measured at fair value as at 31.12.2008, resulted upon valuation from independent appraiser. The rest of the assets are disclosed at the acquisition cost less accumulated depreciation. Depreciation on assets is charged to the income statement and is calculated using the straight-line method over its estimated useful lives. Land is not depreciated. 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.
The useful life of the assets is 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.

4.6.4.2 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.

4.6.4.3 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.

4.6.4.4 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.

4.6.4.5 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...

4.6.4.6 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.

4.6.4.7 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.

4.6.4.8 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.

4.6.4.9 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.

4.6.4.10 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.

4.6.4.11 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.

4.6.4.12 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.

4.6.4.13 BORROWINGS

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.

4.6.4.14 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).

4.6.4.15 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.

4.6.4.16 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.

4.6.4.17 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.

4.6.5 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 or 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.

4.6.6 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.

- **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. 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.

4.6.7 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	**2011**	**2010**	**VARIATION %**	**2011**	**2010**	**VARIATION %**	**2011**	**2010**	**VARIATION %**	**2011**	**2010**	**VARIATION %**
Revenue	15.597	19.528	-20,13	3.518	1.330	164,51	1.323	1.270	4,17	**20.438**	**22.128**	-7,64
Gross profit	4.539	5.209	-12,86	1.014	350	189,71	585	550	6,36	**6.138**	**6.109**	0,47
EBIT	1.309	1.380	-5,14	693	140	395,00	101	72	40,28	**2.103**	**1.592**	32,10
Earnings before taxes	-	-	-	-	-	-	-	-	-	**300**	**270**	11,11
Earnings after taxes	-	-	-	-	-	-	-	-	-	**189**	**95**	98,95

- **Secondary segment – Geographical segment**

Excpet SPACE HELLAS CYPRUS LTD (Cyprus) and SPACE HELLAS SYSTEM INTEGRATOR S.R.L. (Romanis) with developping, yet small impact at Group's level, the Group is operating mainly in Greece.

4.6.8 Other Operating Income

Amounts in € thousand	**GROUP**		**COMPANY**	
	01.01-30.06.2011	**01.01-30.06.2010**	**01.01-30.06.2011**	**01.01-30.06.2010**
Income from property leases	65	84	65	64
Income from technical equipment leases	0	32	0	32
Government Grants	159	14	159	14
Other operating income	5	31	5	31
Currency exchange gains	194	10	163	10
Extraordinary gains	0	6	0	6
Total other operating income	**423**	**177**	**392**	**157**

4.6.9 Operating Expenses

The administrative expenses, the R&D cost as well as the Distribution cost result to be decreased compared to previews period for 3,46 %, mainly because of the containment of the operation cost, though maintaining the company's growth trends.

Amounts in € thousand	GROUP		VARIATION %	COMPANY		VARIATION %
	01.01-30.06.2011	01.01-30.06.2010		01.01-30.06.2011	01.01-30.06.2010	
Payroll expenses	2.867	3.146	-8,87%	2.867	3.146	-8,87%
Third parties' fees and expenses	455	206	120,87%	439	188	133,51%
Third parties' utilities and services	687	820	-16,22%	687	820	-16,34%
Taxes and dues	90	71	26,76%	90	71	26,76%
Sundry expenses	311	345	-9,86%	311	345	-9,86%
Depreciations	256	270	-5,19%	256	270	-5,19%
Provisions	73	51	43,14%	73	51	43,14%
Total operating expenses	**4.739**	**4.909**	**-3,46%**	**4.723**	**4.891**	**-3,46%**

4.6.10 Other Operating Expenses

Amounts in € thousand	GROUP		COMPANY	
	01.01-30.06.2011	01.01-30.06.2010	01.01-30.06.2011	01.01-30.06.2010
Extraordinary expenses	71	32	71	32
Loss from currency exchange	71	195	47	195
Extraordinary loss legal dispute	0	12	0	12
Provisions for receivables of doubtful collection	3	7	3	7
Extraordinary losses	5	1	5	1
Total other operating expenses	**150**	**247**	**126**	**247**

4.6.11 Income Tax

The income tax expense imputed the results as following:

Income Tax	NOTE	GROUP		COMPANY	
Amounts in € thousand		30.06.2011	30.06.2010	30.06.2011	30.06.2010
Current Income Tax		-21	-9	-	-
Provision charged for the tax unaudited fiscal years		-8	-35	-8	-35
Deferred tax imputed to results	4.7.21	-82	-131	-82	-131
Total		**-111**	**-175**	**-90**	**-165**

Income tax is determined by charging to the income the non deductable expenses according to the current legislation. For the parent company the applicable tax rates as at 30.06.2011 and 31.12.2010 are 20% and 24% respectively.

4.6.12 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 01.01.2010	**1.955**	**6.784**	**4.478**	**59**	**2.494**	**15.770**
Plus: Additions	0	80	617	0	34	**731**
Minus: Disposals	0	0	9	0	5	**14**
Ending balance 30.06.2010	**1.955**	**6.864**	**5.086**	**59**	**2.523**	**16.487**
Depreciation at 01.01.2010	**0**	**846**	**2.071**	**26**	**1.696**	**4.639**
Plus: Depreciation expense	0	125	190	3	94	**412**
Minus: Depreciation of disposed elements	0	0	1	0	3	**4**
Ending balance 30.06.2010	**0**	**971**	**2.260**	**29**	**1.787**	**5.047**
Net Book Value at 30.06.2010	**1.955**	**5.893**	**2.826**	**30**	**736**	**11.439**
Opening Balance 01.01.2011	**1.955**	**6.864**	**5.036**	**219**	**2.354**	**16.428**
Plus: Additions	0	1	107	0	15	**123**
Minus: Disposals	0	0	12	0	13	**25**
Ending balance 30.06.2011	**1.955**	**6.865**	**5.131**	**219**	**2.356**	**16.526**
Depreciation at 01.01.2011	**0**	**1.096**	**2.352**	**34**	**1.653**	**5.135**
Plus: Depreciation expense	0	126	166	6	83	**381**
Minus: Depreciation of disposed elements	0	0	8	0	10	**18**
Ending balance 30.06.2011	**0**	**1.222**	**2.510**	**40**	**1.726**	**5.498**
Net Book Value at 30.06.2011	**1.955**	**5.643**	**2.621**	**179**	**629**	**11.028**

Property, Plant and Equipment: Company

Amounts in € thousand	Land	Buildings and buildings installations	Plant and machinery	Motor Vehicles	Furniture's & Fittings	Total
Opening Balance 01.01.2010	**1.955**	**6.784**	**4.478**	**59**	**2.494**	**15.770**
Plus: Additions	0	80	617	0	34	**731**
Minus: Disposals	0	0	9	0	5	**14**
Ending balance 30.06.2010	**1.955**	**6.864**	**5.086**	**59**	**2.523**	**16.487**
Depreciation at 01.01.2010	**0**	**846**	**2.071**	**26**	**1.696**	**4.639**
Plus: Depreciation expense	0	125	190	3	94	**412**
Minus: Depreciation of disposed elements	0	0	1	0	3	**4**
Ending balance 30.06.2010	**0**	**971**	**2.260**	**29**	**1.787**	**5.047**
Net Book Value at 30.06.2010	**1.955**	**6.864**	**5.036**	**219**	**2.354**	**16.428**
Opening Balance 01.01.2011	0	1	107	0	15	**123**
Plus: Additions	0	0	12	0	13	**25**
Minus: Disposals	**1.955**	**6.865**	**5.131**	**219**	**2.356**	**16.526**
Ending balance 30.06.2011						
Depreciation at 01.01.2011	**0**	**1.096**	**2.352**	**34**	**1.653**	**5.135**
Plus: Depreciation expense	0	126	166	6	83	**381**
Minus: Depreciation of disposed elements	0	0	8	0	10	**18**
Ending balance 30.06.2011	**0**	**1.222**	**2.510**	**40**	**1.726**	**5.498**
Net Book Value at 30.06.2011	**1.955**	**5.643**	**2.621**	**179**	**629**	**11.028**

4.6.13 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	Total intangible assets IFRS
Opening Balance 01.01.2010	**909**	**284**	**1.193**
Plus: Additions	23	0	**23**
Minus: Disposals	0	0	**0**
Ending balance 30.06.2010	**932**	**284**	**1.216**
Depreciation at 01.01.2010	**717**	**0**	**717**
Plus: Depreciation expense	50	0	**50**
Minus: Depreciation of disposed elements	0	0	**0**
Ending balance 30.06.2010	**767**	**0**	**767**
Net Book Value at 30.06.2010	**165**	**284**	**449**
Opening Balance 01.01.2011	**937**	**284**	**1.221**
Plus: Additions	1	0	1
Minus: Disposals	0	0	0
Ending balance 30.06.2011	**938**	**284**	**1.222**
Depreciation at 01.01.2011	**818**	**0**	**818**
Plus: Depreciation expense	49	0	**49**
Minus: Depreciation of disposed elements	0	0	**0**
Ending balance 30.06.2011	**867**	**0**	**867**
Net Book Value at 30.06.2011	**71**	**284**	**355**

Intangible assets of the Company:

Amounts in € thousand	Software	Other intangibles	Total intangible assets IFRS
Opening Balance 01.01.2010	**909**	**284**	**1.193**
Plus: Additions	23	0	**23**
Minus: Disposals	0	0	**0**
Ending balance 30.06.2010	**932**	**284**	**1.216**
Depreciation at 01.01.2010	**717**	**0**	**717**
Plus: Depreciation expense	50	0	**50**
Minus: Depreciation of disposed elements	0	0	**0**
Ending balance 30.06.2010	**767**	**0**	**767**
Net Book Value at 30.06.2010	**165**	**284**	**449**
Opening Balance 01.01.2011	**937**	**284**	**1.221**
Plus: Additions	1	0	1
Minus: Disposals	0	0	0
Ending balance 30.06.2011	**938**	**284**	**1.222**
Depreciation at 01.01.2011	**818**	**0**	**818**
Plus: Depreciation expense	49	0	**49**
Minus: Depreciation of disposed elements	0	0	**0**
Ending balance 30.06.2011	**867**	**0**	**867**
Net Book Value at 30.06.2011	**71**	**284**	**355**

4.6.14 INVESTMENT PROPERTIES

The amount of € 1.000 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 € 56 thousand.

4.6.15 Goodwill

The Goodwill, amounting to € 428 thousand, comprised among the noncurrent assets, resulted 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 goodwill was tested for impairment and it is shown among the company's assets.

4.6.16 Liens and pledges

There are no real liens on non-current assets or property at Company level, except the underwriting of € 800 thousand, dated 24 September 2008, and the underwriting of € 400 thousand, dated 10 December 2010 both on the property situated at 6 Loch. Dedousi St., (Cholargos, Athens), and the underwriting of € 650 thousand, dated 27 April 2010, on the property in Romania, at Group level.

4.6.17 Subsidiaries, Associates And Joint Ventures

The company's shareholding in subsidiaries, associates and Joint venture as at 30.06.2011, is disclosed at their acquisition cost less provisions for impairment.

Corporate name	Acquisition cost		Ownership percentage		Consolidation method	Country
Amounts in € thousand	**30.06.2011**	**31.12.2010**				
Subsidiaries			**Direct**	**Indirect**		
SPACE HELLAS (CYPRUS) LTD	34	34	100%		Full Consolidation	Cyprus
SPACE HELLAS SYSTEM INTEGRATOR S.R.L.	396	396		99%	Full Consolidation	Romania
Total Subsidiaries	**430**	**430**				
Associates & Joint Ventures						
JOINT-VENTURE "EMY" MODERNIZATION	389	389	67,5%	-	Equity method	Greece
JOINT-VENTURE ALKYONA	49	49	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 - KONSTANTINOS SYMPONIS LTD*	3	3	50%	-	Equity method	Greece
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")	13	13	50%	-	Equity method	Greece
Total Associates & Joint Ventures	**457**	**457**				
Other investments						
MOBICS L.T.D.	150	150	19,32%	-	-	Greece
Total Other investments	**150**	**150**				
Total Shareholding	**1.034**	**1.037**				

Note
* End of consolidation due to the winding up of the joint venture. This event has created an impact for less than 25% on the Group's figures.

Tables of Guarantees to third parties:

Amounts in € thousand	Group		Company	
	30.06.2011	**31.12.2010**	**30.06.2011**	**31.12.2010**
Guarantees to third parties on behalf of subsidiaries and joint ventures	**2.042**	**3.218**	**2.042**	**3.218**
Used guarantees to third parties on behalf of subsidiaries	**0**	**0**	**0**	**0**
Bank guarantee letters	**2.042**	**3.218**	**2.042**	**3.218**

Joint Ventures' activities

- Joint Venture "Info Quest – SPACE HELLAS", The aim of the Joint Venture is the development of the IS survey for the Hellenic National Cadastre

- Joint Venture "ALKYONA" The aim is the development of meteorological radar network
- 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)

4.6.18 INVENTORIES

Table of inventories of the Group and the company:

Inventories	Group		Company	
Amounts in Euro thousands	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Goods	2.613	3.066	2.613	3.066
Materials	329	216	329	216
Consumables	20	16	20	16
Total inventories	**2.962**	**3.298**	**2.962**	**3.298**

The Group is implementing a set of measures in order to minimize the risk of impairment of inventories due to calamity, fraud etc. The Management also is reviewing constantly for the net realizable value of inventories and the appropriate provisions are made for impairment of 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.

4.6.19 TRADE RECEIVABLES

Trade receivables are recorded and presented to the book value (invoice value), 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	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Trade receivables	33.081	35.745	32.829	35.563
Less: Provisions for doubtful liquidation	3.767	3.764	3.767	3.764
Total trade receivables	**29.314**	**31.981**	**29.062**	**31.799**

Provisions for impairment:

Amounts in Euro thousands	Group 30.06.2011	Company 31.12.2010
Provisions at the beginning of the period	**3.764**	**3.610**
Additions	3	154
Uses (court settlements)	0	0
Offsetting of unused provisions	0	0
Total charged to income	**3**	**154**
Cancellation of receivables upon court decision	0	0
cancellation of receivables	0	0
Provisions at the end of the period	**3.767**	**3.764**

Aging analysis for receivables:

Trade receivables	Group		Company	
Amounts in Euro thousands	30.06.2011	31.12.2010	30.06.2011	31.12.2010
1 – 90 days	10.347	13.721	10.095	13.539
91 – 180 days	5.690	7.500	5.690	7.500
181 – 360 days	6.890	6.800	6.890	6.800
> 360 days	6.387	3.960	6.387	3.960
Total trade receivables	**29.314**	**31.981**	**29.062**	**31.799**

Aging analysis of related parties' trade receivables:

Receivables from Related parties	Group		Company	
Amounts in Euro thousands	30.06.2011	31.12.2010	30.06.2011	31.12.2010
1 – 90 days	228	30	228	30
91 – 180 days	19	171	19	171
181 – 360 days	306	40	306	40
> 360 days*	1.959	2.026	1.959	2.026
Total Receivables from Related parties	**2.512**	**2.267**	**2.512**	**2.267**

* 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.

4.6.20 Other Receivables

Other receivables of the group and company:

Other receivables	Group		Company	
Amounts in Euro thousands	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Cheques receivable	383	575	383	575
Cheques receivable at banks as pledge	134	156	134	156
Cheques overdue	1.676	1.676	1.676	1.676
Deducted Taxes & other receivables	50	325	50	325
Salary prepayments	23	18	23	18
Advances to account for	1.329	1.130	1.329	1.130
Amounts owed from selling of participating interests	416	112	856	634
Deferred charges	1.783	2.093	1.778	2.093
Income earned	1.467	575	1.467	575
Other receivables	382	280	382	280
Total other receivables	**7.643**	**6.940**	**8.078**	**7.462**
Less: provisions for doubtful liquidation	1.880	1.880	1.880	1.880
Total other receivables	**5.763**	**5.060**	**6.198**	**5.582**

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.**

4.6.21 Prepayments

Prepayments	Group		Company	
Amounts in Euro thousands	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Orders placed abroad	506	129	506	129
Prepayments to other creditors	1.640	1.426	1.639	1.426
Total prepayments	**2.146**	**1.555**	**2.145**	**1.555**

4.6.22 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	**30.06.2011**	**31.12.2010**	**30.06.2011**	**31.12.2010**
Cash on hand	88	195	88	195
Short term Bank deposits	343	1.764	290	1.350
Total Cash and Cash equivalents	**431**	**1.959**	**378**	**1.545**

4.6.23 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	30.06.2010
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.

4.6.24 LONG TERM LOANS

The long term loans concern:

i. The mortgage loan ending at 2013 for the construction of new premises (4 floor building) on 6 Loch. Dedousi Str., Cholargos, Athens. The loan amounts to 526 after the interest and principal payments.

ii. New 3-years loan of € 850 thousand contracted with the European Investment Bank at 24 July 2009. This loan will finance the company's operating activities.

iii. 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 € 508 thousand after the interest and principal payments.

4.6.25 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	**30.06.2011**	**31.12.2010**	**30.06.2011**	**31.12.2010**
losses from joint ventures	0	0	616	624
Guarantees received	11	11	11	11
Total Other long term liabilities	**11**	**11**	**627**	**635**

4.6.26 PERSONELL EMPLOYEED - EMPLOYEE BENEFITS

The personnel employed at 30.06.2011 both in the Company and the Group amounted to 206 persons while as at 30.06.2010 amounted to 247.

4.6.26.1 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	Company	
Amounts in Euro thousands	**30.06.2011**	**31.12.2010**
Present value of unfunded obligations	525	602
Uncharged actuarial gains/losses	-474	-476
Net liability disclosed	**51**	**126**
Cost charged to income	**73**	**82**
Liability recognized in the Statement of financial position		
Net liability – opening balance	126	624
Benefits paid	-148	-580
Cost recognized in the income statement	73	82
Net liability at the end of the period	**51**	**126**

The assumptions used are the following:

Assumptions		
1.	Discount interest rate	5% as at 31/12/2010
2.	Average annual long term inflation rate	2% ((according to EU, Lisbon convention)
3.	Average annual long term salary growth	2,5%
4.	Valuation date	30.06.2011
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)

4.6.27 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 and Company			
	30.06.2011			
Amounts in Euro thousands	**Amounts as at 31.12.2010**	**Amounts charged to net profit**	**Amounts charged to equity**	**Total**
Deferred tax liabilities				
Depreciation rate difference effect	-245	-9	0	-254
Fair value adjustments Property, plant and equipment	-859	0	0	-859
Total Deferred tax liabilities	**-1.104**	**-9**	**0**	**-1.113**
Deferred tax assets				
Provisions for Trade and other payables	413	0	0	413
Post-employment and termination benefits	25	-15	0	10
Impairment of Inventories	4	0	0	4
Tax deductible previews years' losses	91	-58	0	33
Share premium capitalization expenses	28	0	0	28
Total Deferred tax assets	**561**	**-73**	**0**	**488**
Total Deferred tax	**-543**	**-82**	**0**	**-625**

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

4.6.28 TRADE AND OTHER PAYABLES

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

Trade and other payables	Group		Company	
Amounts in Euro thousands	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Trade payables	6.488	10.954	6.302	10.909
Checks payables	2.287	1.426	2.287	1.426
Customer down payments/advances	1.632	1.923	1.632	1.923
Social security	475	412	475	412
Wages and salaries payable	130	62	130	62
Other payables	37	37	37	37
Amounts due to related parties	0	0	470	0
Next year's Income	21	132	21	129
Accrued expenses	68	285	67	285
Purchases under arrangement	72	10	72	10
Total Trade and other payables	**11.210**	**15.241**	**11.493**	**15.193**

4.6.29 PROVISIONS

	Provision changes for the Group and the Company				
Amounts in € thousand	31.12.2010	New Provisions	Used Provisions	Lower Provisions	30.06.2011
Provisions for extraordinary liabilities and claims*	0	0	0	0	0
Provisions for tax unaudited years	70	35	0	0	105
Provisions for employers benefits	625	51	-430	0	246
Other provisions	0	0	0	0	0
Total	**695**	**86**	**-430**	**0**	**351**

The Group has formed provisions for doubtful trade receivables for the amount of € 3.767 thousand, for doubtful non trade receivables for the amount of € 1.880 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

4.6.30 DISPUTED CLAIMS

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

4.6.31 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 – 2010
JOINT-VENTURE "EMY" MODERNIZATION	2010
JOINT-VENTURE ALKYONA	2009
OINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	2007 – 2010
JOINT-VENTURE SPACE HELLAS SA-KB IMPULS HELLAS SA ("DORY")	2009-2010

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 € 8 thousand for the current period and 123 thousand formed in previews periods. 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.

4.6.32 CONTIGENT EVENTS

4.6.32.1 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	30.06.2011	31.12.2010	30.06.2011	31.12.2010
Guarantee letters to secure good performance of contract terms	5.417*	6.171*	5.417*	6.171
Total contingent liabilities	**5.417**	**6.171**	**5.417**	**6.171**

** Including letters of guarantee issued in favour of joint ventures amounting to € 571 thousand as at 30.06.2011 and to € 946 thousand as at 31.12.2010*

4.6.32.2 Excess clause provisions and Disputed claims

There are no cases (note. 4.7.24) that might have significant impact on the financial position both of the Group and the Company.

4.6.32.3 Other contigent liabilities

For the unaudited years, as mentioned in note 4.6.31, 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 € 131 thousand has been charged regarding only the parent company, as for the rest of the Group such an event would have insignificant impact.

4.6.33 OPERATING LEASE COMMITMENTS

At 30.06.2011, the company's leases concerned motor vehicles as well as buildings. The minimum future payments based on valid contracts at 30th June 2011 are the following:

Minimum future payments			
Amounts in € thousand	COMPANY		
	Up to year	Up to 5 years	Over 5 years
Motor vehicle	287	420	-
Buildings	508	2.486	2.571
Total	**795**	**2.906**	**2.571**

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

4.6.34 CAPITAL COMITTEMENTS

At 30.06.2011 there were no capital commitments for the Group and the Company.

4.6.35 CASH FLOW

The cash flow from operating activities is negative, amounting to € -2.169 thousand, attributable mainly to the decrease of the short term liabilities in line with the corporate strategic choice to maintain and strengthen the relationships with the suppliers. Thus, the company absorbs part of the lack of liquidity due to the economic crisis, without significant increase of the banking borrowings.

The cash flow from investing activities, are negative, amounting to € -120 thousand.

The cash flow from financing activities, are positive, amounting to € 761 thousand.

4.6.36 CONTINGENT EVENTS TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES (IAS 24) FROM 01-01-2011 TO 30-06-2011

The tables below summarize the transactions carried out with related parties, according to IAS 24, cumulatively from the beginning of the current year, as well as the account receivables and payables at the end of the current and previews year respectively.

The sales to and purchases from related parties, during first half 2011, 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.

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Company	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
SPACE HELLAS (CYPRUS) LTD	-	-	-	-	-	1	470	-
Subsidiaries	**-**	**-**	**-**	**-**	**-**	**1**	**470**	**-**
JOINT-VENTURE "EMY" MODERNIZATION	40	1	80	40	3.019	3.073	-	-
JOINT-VENTURE ALKYONA	-	-	2	123	771	164	615	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	1	-	2	8	17	17	-	-
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	1	-	-1.470	-1.470	-	-
Joint Ventures	**41**	**1**	**85**	**171**	**2.337**	**1.789**	**615**	**-**
MOBICS L.T.D.	-	-	12	19	-	11	15	-
SPACE CONSULTING S.A.	161	3	-	-	836	793	-	-
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-	245	256	142	717	-	-
SPACE VISION S.A.	-	37	1	118	271	47	-	-
Other related parties	**161**	**40**	**258**	**393**	**1.249**	**1.568**	**15**	**-**
Total Company	**202**	**41**	**343**	**564**	**3.586**	**3.358**	**1.100**	**-**

Amounts in € thousand	**Revenue**		**Expenses**		**Receivables**		**Liabilities**	
	30/6		**30/6**		**30/6**		**30/6**	
Group	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
JOINT-VENTURE "EMY" MODERNIZATION	40	1	80	40	3.019	3.073	-	-
JOINT-VENTURE ALKYONA	-	-	2	123	771	164	615	-
JOINT VENTURE UNISYSTEMS INFORMATION SYSTEMS S.A. (formerly INFO QUEST)– SPACE HELLAS	1	-	2	8	17	17	-	-
JOINT-VENTURE SPACE HELLAS - KB IMPULS HELLAS SA	-	-	1	-	-1.470	-1.470	-	-
Joint Ventures	**41**	**1**	**85**	**171**	**2.337**	**1.789**	**615**	**-**
MOBICS L.T.D.	-	-	12	19	-	11	15	-
SPACE CONSULTING S.A.	161	3	-	-	836	793	-	-
SPACE TECHNICAL CONSTRUCTION BUILDING S.A.	-	-	245	256	142	717	-	-
SPACE VISION S.A.	-	37	1	118	271	47	-	-
Other related parties	**161**	**40**	**258**	**393**	**1.249**	**1.568**	**15**	**-**
Total Group	**202**	**41**	**343**	**564**	**3.586**	**3.357**	**630**	**-**

From the above table the transactions between the Company and related parties have been eliminated from the consolidated financial statements. The great part of the receivables concerns the Joint venture "EMY" MODERNIZATION which has obtained the final acceptance at 16 February 2011, which, in turn will produce significant collection of these receivables. The company has formed an impairment provision for the amount of € 100 thousand, concerning JOINT-VENTURE ALKYONA.

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	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Salaries and other employee benefits	675	507	675	507
Receivables from executives and members of the Board	18	12	18	12
Payables to executives and member of the Board	82	191	82	191

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	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Guarantees to third parties on behalf of subsidiaries and joint ventures	2.042	3.218	2.042	3.218
Used guarantees to third parties on behalf of subsidiaries	0	0	0	0
Bank guarantee letters	2.042	3.218	2.042	3.218

4.7 SIGNIFICANT EVENTS

Significant facts that took place during the period from 1st January to 30th June 2011 are the following:

- **Shareholders' Ordinary General Meeting at 30-06-2011.** The most important issues of the meeting were the following:
    - **Modification of several articles of the association as following:**
        - Article 7, para 2, with regard to the issuance of single of multiple share, without the need to cut them from the special book.
        - Article 10, para 2, with regard to the extraordinary extension of the incumbency of the Board of Directors up to the due time within which the extraordinary General Meeting should be convened.
        - Article 14, para 1 with regard to the meetings of the Board of directors, where the secretary of the board can be either a member of the legal counsel. The secretary is responsible for the keeping of the minutes, recording all the different points of view.
        - Article 15 with regard to the rephrase of the wording in modern Greek
        - Article 17, para 2 and para 3 with regard to cancellation of provision fell in disuse regarding no legally compliant corporate regulations and under oath services.
        - Article 19, para 5 with regard to the replacement of the word "customers" with the words "third parties" in relation to the ordinary corporate contracts, according to art 23a L. 2190/1920.
        - Article 20, para 3 with regard to the necessary information for the invitation of the General Meeting and its publication in summarised form.
        - Article 23, with regard to the publication modality of hanging on the wall the list of the shareholders with voting rights within 24 hours instead of 48 hours
        - Article 24, par 2,3 and 4, with regard to the adjustment according to article 29, para 2 of L 2190/1920, in relation to the publication of the new General Meeting (para 2), to the editorial corrections (para 4), as well as rephrase of provisions 4 and 5 and replacement with the new provision 4, for convocation of the recurrent General Meeting, according to art. 29, para 4, L. 2190/1920

4.8 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 2011

SPACE HELLAS S.A.

Reg. No: 13966/06/B/95
Mesogion Av. 312 Ag. Paraskevi
Financial statement and information for the year 1 January 2011 to 30 June 2011
(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	29 August 2011
	Board of Direcotrs Decisions No 1.956
Auditing Company	PKF Euroauditing SA
Certified Auditor Accountant	Andreas G. Pournos (S.O.E.L. Reg. No 35081)
Type of Auditor's report	Without qualification

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

1.1 STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
(consolidated and non consolidated) Amounts in € thousand	30.06.2011	31.12.2010	30.06.2011	31.12.2010
ASSETS				
Property, plant and equipment	11.028	11.293	11.028	11.293
Investment properties	1.000	1.000	0	0
Intangible assets	355	403	355	403
Other non current assets	998	975	1.209	1.112
Inventory	3.250	3.224	3.250	3.224
Receivables (trade debtors)	29.314	31.981	29.062	31.799
Other current assets	8.353	8.586	8.734	8.694
TOTAL ASSETS	54.298	57.462	53.638	56.525
EQUITY AND LIABILITIES				
Share capital	10.330	10.330	10.330	10.330
Other components of equity	4.730	4.550	3.741	3.715
Total equity attributable to owners of the parent (a)	15.060	14.880	14.071	14.045
Non controlling interests (b)	6	4	-	-
Total Equity (c) = (a)+(b)	15.066	14.884	14.071	14.045
Long term borrowings	1.575	1.608	1.067	1.067
Long term provisions / Non current liabilities	818	802	1.434	1.426
Short term borrowings	23.558	22.765	23.558	22.700
Other current liabilities	13.281	17.403	13.508	17.287
Total Liabilities (d)	39.232	42.578	39.567	42.480
TOTAL EQUITY AND LIABILITIES (c)+(d)	54.298	57.462	53.638	56.525

1.3 STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
(consolidated and non consolidated) Amounts in € thousand	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Total equity in the beginning of the year (1/1/2010 and 1/1/2009 accordingly)	14.884	14.750	14.045	14.209
Total comprehensive income after taxes (continued and discontinued operations)	182	-298	26	-353
Increase / (Decrease) of Share Capital	0	-200	0	-200
Cancellation of own shares	0	811	0	811
Stock Option Plan Reserve	0	-203	0	-203
Non controlling interests	0	4	0	0
Total equity at the end of the year Total equity at the end of the year (30/06/2011 and 30/06/2010 accordingly)	15.066	14.864	14.071	14.264

1.4 CASH FLOW STATEMENT FOR THE YEAR

	GROUP		COMPANY	
(consolidated and non consolidated) Amounts in € thousand	01.01-30.06.2011	01.01-30.06.2010	01.01-30.06.2011	01.01-30.06.2010
Operating Activities :				
Profit before taxes (continued operations)	300	270	116	221
Plus/Less adjustments for :			0	0
Depreciation	431	462	431	462
			0	0
Provisions	-1.423	-1.025	-1.423	-1.025
Foreign exchange differences	-130	201	-123	185
Net (profit)/Loss from investing activities	66	56	66	72
Interest and other financial expenses	1.282	796	1.262	747
Plus or minus for Working Capital changes:			0	0
Decrease/(increase) in Inventories	-25	335	-25	335
Decrease/(increase) in Receivables	2.484	952	2.559	946
(Decrease)/increase in Payables (excluding banks)	-3.776	285	-3.415	252
Less:			0	0
Interest and other financial expenses paid	-1.294	-831	-1.274	-782
Taxes paid	-84	-211	-79	-214
Total cash inflow/(outflow) from operating activities (a)	-2.169	1.290	-1.905	1.199
Cash flow from Investing Activities				
Acquisition of subsidiaries, associated companies, joint ventures and other investments	0	0	0	0
Purchase of tangible and intangible assets	-124	-1.754	-124	-754
Interest received	3	14	3	14
Dividends received	1	108	1	95
Total cash inflow/(outflow) from investing activities (b)	-120	-1.632	-120	-645
Cash flow from Financing Activities				
Proceeds from share capital increase of subsidiaries	0	400	0	0
Proceeds from Borrowings	1.138	1.596	1.137	946
Payments of Borrowings	-377	-3.435	-279	-3.424
Total cash inflow/(outflow) from financing activities (c)	761	-1.439	858	-2.478
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	-1.528	-1.781	-1.167	-1.924
Cash and cash equivalents at beginning of period	1.959	4.341	1.545	4.206
Cash and cash equivalents at end of period	431	2.560	378	2.282

1.2 STATEMENT OF COMPREHENSIVE INCOME

	GROUP				COMPANY			
(consolidated and non consolidated) Amounts in € thousand	01.01-30.06.2011	01.01-30.06.2010	01.04.-30.06.2011	01.04.-30.06.2010	01.01-30.06.2011	01.01-30.06.2010	01.04.-30.06.2011	01.04.-30.06.2010
Turnover	20.438	22.128	11.182	13.429	20.041	21.823	10.980	13.269
Gross Profit	6.138	6.109	3.425	3.305	5.926	6.026	3.313	3.298
Profit before taxes, financing and investing activity	1.672	1.130	1.009	580	1.469	1.045	901	568
Profit before taxes	300	270	137	147	116	221	65	179
Profit after taxes (A)	189	95	80	-14	26	56	14	18
- *Owners of the parent*	187	95	78	-14	26	56	14	18
- *Non controlling interests*	2	0	2	0	-	-	-	-
	189	95	80	-14	26	56	14	18
Other comprehensive income after taxes (B)	-7	-393	15	0	0	-409	0	0
Total comprehensive income after taxes (A)+(B)	182	-298	95	-14	26	-353	14	18
- *Owners of the parent*	182	-298	95	-14	26	-353	14	18
- *Non controlling interests*	2	0	2	0	-	-	-	-
Earnings (after taxes) per share - basic in €	0,0290	0,0147	0,0121	-0,0022	0,0040	0,0087	0,0022	0,0028
Profit before taxes, financing and investing activity and depreciation	2.103	1.592	1.222	813	1.900	1.507	1.114	800

Additional information

1. The shares of the company were listed on the Athens Stock Exchange on 29-9-2000. The earnings per share were calculated based on the weighted average number of ordinary shares in issue amounting to 6.456.530
2. The companies of the Group, the percentage ownership and the consolidation method for the ending period are disclosed in note 4.6.17. Following the wind up of the Joint Venture SPACE HELLAS - KONSTANTINOS SYMPONIS LTD, at 16.05.2011, the aforementioned Joint venture is not included in the consolidated financial statement. The impact of this operation on the Group's financial figures was less than 25%
3. The tax un-audited years of the Company and the Group are disclosed in note 4.6.31 of the 6-month interim financial report of 2011
4. The company has formed a provison for the tax unaudited years amounting to 131 thousand euro for years 2009, 2010 as well as for the current period. Part of this provision, amounting to 8 thousand euro has been charged to the period's results. 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 4.6.31). There are no other provisions formed (note 4.6.29).
5. There are no other disputed or under arbitration cases of national or administrative courts that may have a material effect on the financial position of the Company.
6. There are no real liens on non-current assets or property except the underwriting of € 800 thousand, dated 24 September 2008 and the underwritting of € 400 thousand dated 10 December 2010, on the property situated at 6 Loch. Dedousi St., (Cholargos, Athens) at Company level and the underwriting of € 650 thousand, dated 27 April 2010, on the property in Romania for the subsidiary Space Hellas System Integrator Srl, at Group level.
7. The personnel employed at 30-06-2011 both in the Company and the Group amounted to 206 persons while as at 30.06.2010 amounted to 247
8. The same Accounting Policies have been followed as for the financial statements as at 31.12.2010.
9. Note 4.1 of the 6-month interim financial report refers to the comprehensive income after taxes for the company and the Group.
10. Intercompany transactions for the period from 1 January 2011 to 30 June 2011, according to I.A.S. 24 are as follows

	GROUP	COMPANY
a) Sales of goods and services	202	202
b) Purchases of goods and services	343	343
c) Receivables from related parties	3.586	3.586
d) Payables to related parties	630	1.100
e) Key management compensations	675	675
f) Receivables from key management	18	18
g) Payables to key management included in above	82	82

The company has guaranteed to financial institutions for bank credit limits for Joint venture "EMY" up to the amount of € 245 thousand, and for 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, 29 August 2011

PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER	CHIEF FINANCIAL	CHIEF ACCOUNTANT
DIMITRIOS MANOLOPOULOS	PARASKEVAS DROSINOS	GEORGIOS LAGOGIANNIS	IOANNIS DOULAVERIS	ANASTASIA PAPARIZOU
ID AZ 549717	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 2011, which has been approved by the Board of Directors of SPACE HELLAS SA on August 29, 2011 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
DIMITRIOS MANOLOPOULOS	**PARASKEVAS DROSINOS**	**GEORGIOS LAGOGIANNIS**	**IOANNIS DOULAVERIS**	**ANASTASIA PAPARIZOU**