

The Insolvency Act 1986
Notice of result of meeting of Creditors

Name of Company

Hellas Telecommunications (Luxembourg) III

Company number

FC029746

In the
 High Court, Chancery Division, Companies
 Court

(full name of court)

Court case number
 9886 of 2010

(a) Insert full name(s)
 and address(es) of the
 administrator(s)

We, A P Beveridge, S J Appell and S C E Mackellar of
 Zolfo Cooper, Toronto Square, Toronto Street, Leeds, LS1 2HJ

hereby report that an adjourned meeting of the creditors of the above company was held at

(b) Insert place of
 meeting

(b) 10 Fleet Place, London, EC4M 7RB

(c) Insert date of meeting

on (c) 26 January, 2011 at 12 00 during which

*Delete as applicable

*1 Proposals were approved

(d) Details of other
 resolutions passed

*2 Other resolutions (d)

- Under Rule 2 106 of the Insolvency (Amendment) Rules 2003 and in the absence of a Creditors' Committee, the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration
- In accordance with Statement of Insolvency Practice No 9, issued by the Association of Business Recovery Professionals, the Joint Administrators be authorised to draw remuneration as and when funds are available on account of their time costs
- The Joint Administrators be authorised to draw Category Two expenses as set out in the proposals without further approval by creditors
- The Joint Administrators will be discharged from liability under Paragraph 98(2) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect

A creditors' committee was not formed

Signed

Joint Administrator

Dated

31/1/11

*Delete as applicable

A copy of the original proposals is attached for those who did not receive such documents prior to the meeting

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

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When you have completed and signed this form, please send it to the Registrar of Companies at -
 Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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COMPANIES HOUSE

Joint Administrators' Report and Statement of Proposals

Hellas Telecommunications (Luxembourg)

Hellas Telecommunications (Luxembourg) III

Hellas Telecommunications IV

Hellas Telecommunications (Luxembourg) V

Weather Finance III S.à r.L.

All In Administration.

23 December 2010

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1 Statutory information

- 1.1 The registered number of each company as a branch of an overseas company in England and Wales is as follows:

Company Name	Company Number	Referred to as
Hellas Telecommunications (Luxembourg)	FC029745	Hellas VI
Hellas Telecommunications (Luxembourg) III	FC029746	Hellas III
Hellas Telecommunications IV	FC029762	Hellas IV
Hellas Telecommunications (Luxembourg) V	FC029744	Hellas V
Weather Finance III S.à r.l.	FC029743	WFIII

- 1.2 The head office address of the above companies (the Luxcos) was 55 Old Broad Street, London, EC2M 1RX and this has been changed to c/o Zolfo Cooper, Toronto Square, Toronto Street, Leeds, LS1 2HJ.

- 1.3 The registered office of the Luxcos will remain at 12, rue Guillaume Kroll, L-1882 Luxembourg

- 1.4 Details of the Luxcos' managers are as follows:

	Date appointed	Date resigned	Number of shares held	Percentage of shareholding	Company
Managers					
Scott Pinfield	27/07/2010	N/A	N/A	N/A	All Luxcos as defined above
Michael Mark Corner-Jones	27/07/2010	N/A	N/A	N/A	All Luxcos as defined above
Richard James Hudson	27/07/2010	N/A	N/A	N/A	Hellas VI, Hellas III, Hellas V and WFIII
Philippe Toussaint	20/07/2009	30/10/2009	N/A	N/A	WFIII
Pietro Longo	20/07/2009	30/10/2009	N/A	N/A	WFIII
Eric Magrini	20/07/2009	30/10/2009	N/A	N/A	WFIII
Benoit Nasr	20/07/2009	30/10/2009	N/A	N/A	WFIII
Karim Nasr	30/10/2009	05/07/2010	N/A	N/A	WFIII, plus indirect control of Hellas IV and Hellas VI as permanent representative of the Corporate Manager
Fabio Ceccarelli	30/10/2009	05/07/2010	N/A	N/A	WFIII, plus indirect control of Hellas III, Hellas IV, Hellas V and Hellas VI as permanent representative of the Corporate Manager
Luca Gallinelli	30/10/2009	05/07/2010	N/A	N/A	WFIII, plus indirect control of Hellas IV and Hellas VI as permanent representative of the Corporate Manager
Guy Hartes	31/03/2005	18/09/2009	N/A	N/A	Hellas IV and Hellas VI
Benoit Duvieusart	20/04/2007	18/09/2009	N/A	N/A	Hellas IV and Hellas VI

- 1.5 Hellas VI is the General Partner of Hellas III and Hellas V.

2 Background to the Administration

Group Structure

- 2.1 A group structure is attached at Appendix A. Diagram 1 shows the group structure before the execution of certain Put Options. These options were executed shortly before Administration to ensure that WIND Hellas Telecommunications S.A. (WIND) had no subsidiaries on completion of the sale. The position on appointment is reflected in Diagram 2.

Wind Hellas Telecommunications S.A.

- 2.2 WIND was the operating company in the WIND Hellas Group (the Group) and is not subject to an Administration Order. It is the third largest fully integrated telecommunications provider in Greece with over 5.5 million customers. WIND's principal business is the provision of mobile telecommunications services, including voice, network access and related value-add services, to pre-paid and contract customers.

Weather Finance III S.à r.L.

- 2.3 Weather Finance III S.à r.L. (WFIII), is a société à responsabilité limitée registered in Luxembourg. Its principal asset consisted of its 100% shareholding in WIND. Prior to the exercising of the Put Options described above in 2.1 WFIII's other assets were 100% of the shares and preferred equity certificates in Hellas Telecommunications IV (Hellas IV), and intercompany receivables due from Hellas IV and Hellas Telecommunications (Luxembourg) (Hellas VI). Post the Put Option exercise it owns a 100% shareholding in each of the other Luxcos.

Hellas Telecommunications (Luxembourg) V

- 2.4 Hellas Telecommunications (Luxembourg) V (Hellas V), a société en commandite par actions registered in Luxembourg, was the borrower under a €250,000,000 Revolving Credit Facility (RCF) and was the issuer of €1,222,250,000 of Senior Secured Notes due in 2012 (SSN) issued in accordance with an indenture dated as of 7 October 2005 (as amended, restated and supplemented). Hellas V's borrowings under the RCF and SSN were on-lent to WIND pursuant to four corporate bond programmes. The receivables from those corporate bond programmes represented Hellas V's principal assets. Hellas V had no operating business. Each of WFIII, WIND, Hellas IV, and Hellas VI were guarantors of the RCF and SSN.

Hellas Telecommunications (Luxembourg) III

- 2.5 Hellas Telecommunications (Luxembourg) III (Hellas III), a société en commandite par actions registered in Luxembourg, was the issuer of €355,000,000 of Senior Unsecured Notes due in 2013 (SUN) in accordance with an indenture dated 7 October 2005 (as amended, restated and supplemented). Hellas III's borrowings were also on-lent to WIND pursuant to two corporate bond programmes. The receivables from those corporate bond programmes represented Hellas III's principal assets. Hellas III had no operating business. Each of WFIII, WIND, Hellas IV and Hellas VI were guarantors of Hellas III's obligations under the SUN. Hellas V was not, however, a guarantor of the SUN, which were subordinated to the RCF and SSN under the terms of an Intercreditor Agreement dated 20 November 2009 (the Intercreditor Agreement). Although not a guarantor, Hellas III had assigned its corporate bonds as security for the RCF and SSN.

Hellas Telecommunications IV

- 2.6 Hellas IV, a société en commandite par actions, was a Luxembourg finance company with no operating business. It was party to two corporate bond programmes with WIND, the corresponding credits to which were certain preferred equity certificates issued by Hellas IV in favour of WFIII and an intercompany loan between Hellas IV and WFIII. Hellas IV's receivables from WIND under the corporate bond programmes represented its principal assets.

Hellas Telecommunications (Luxembourg)

- 2.7 Hellas VI, a société à responsabilité limitée, was a Luxembourg company with no operating business. Its main role was as an administrative vehicle, being the general partner of each of Hellas III and Hellas V, and it owns one unlimited management share and one ordinary share in Hellas III and Hellas V. Hellas VI was a guarantor of several of the Group's financial obligations, including the RCF, SSN, SUN and interest rate swap transactions as described in Section 2.10. Hellas VI, together with WFIII and Hellas IV, was also a guarantor under several of the intra-Group corporate bond programmes. Other members of the Group, including WFIII and Hellas V, are creditors of Hellas VI, although the relevant amounts are not material in the context of the Group.

Previous restructuring and debt structure of the Group

- 2.8 A previous restructuring of the Group was completed in late 2009. That restructuring was effected by means of a pre-packaged sale by Margaret Mills and Alan Hudson of Ernst & Young, the Administrators of WIND's former owner, Hellas II, of the shares in WIND and its subsidiaries to Weather Finance III. The Administration and the sale were sanctioned by Mr. Justice Lewison on 26 November 2009.

Debt structure

- 2.9 As noted below, the Group's lenders (the Lenders) comprised the RCF lenders (RCFs), SSN holders (SSNs) and SUN holders (SUNs), with JP Morgan acting as the Security Trustee. For Greek withholding tax purposes, all of the facilities were structured as note facilities.

€ millions	Principal & Interest	Maturing	Borrower
Hedging Banks	39		WIND
RCF	250	03/04/2012	Hellas V
SSN	1,245	15/10/2012	Hellas V
SUN	367	15/10/2013	Hellas III
NBG Loan	7	31/12/2011	WIND
Total	1,908		

- 2.10 WIND was the counterparty under a series of interest rate swap transactions (the Hedges) with certain financial institutions (the Hedging Banks) in respect of interest owed to the SSNs. WFIII, Hellas V, Hellas III, Hellas IV and Hellas VI were also guarantors of the debt owed by WIND to the Hedging Banks.

- 2.11 The debts owed by the Luxcos under the RCF and the Hedges ranked pari passu as 'Super Priority Debt' under the terms of the Intercreditor Agreement. The Super Priority Debt ranked above the debts owed to the SSNs which, in turn, ranked above the debts owed to the SUNs.

Events leading up to our appointment as Administrator

- 2.12 Since the 2009 restructuring, the decline of the Greek economy and the severe austerity measures had a direct impact on consumer spending and telecoms revenue. There was significant uncertainty as to the timing and level of any economic recovery in Greece.
- 2.13 The Greek government also introduced an additional levy on the telecoms sector. It was envisaged that the combination of the levy and ongoing recession would weigh heavily on the Group's performance for the foreseeable future.
- 2.14 The mobile telecoms market in Greece is dominated by Cosmote, Vodafone and WIND. Of the three, Cosmote has the largest market share and has been able to grow this share for the last three years at the expense of both Vodafone and WIND. All three operators have very similar product offerings leading to an extremely competitive market. Cosmote's growth has been generated from acquisitions and aggressive pricing strategies. The Group had been particularly affected by the aggressive action taken by its competitors and this has contributed directly to the loss of revenue experienced since the beginning of 2010.
- 2.15 The Group's trading performance had been severely impacted by the Greek Government's austerity measures and the heavy price competition with its competitors, referred to above. FY10 EBITDA was forecast to be c.€180m compared to the original budget of €315m. As such, the debt burden of c.€1.9bn was not sustainable.
- 2.16 In view of the deteriorating financial performance and tight liquidity position, the Group embarked on a number of initiatives to provide financial stability, address its capital structure and turn around the business.
- 2.17 In May 2010, the Group's management revised its three year outlook for the Group and reviewed its forecast liquidity position in light of recent operating results. Management forecast that WIND would have insufficient cash flow to pay interest under the intercompany finance documents between it and its subsidiaries (including the corporate bond programmes with Hellas V and Hellas III), as well as amounts falling due from the Group to Hedging Banks, National Bank of Greece and to Telecom Italia in respect of royalties.
- 2.18 As a result of the Group's liquidity forecast, in June 2010 the board of WFIII (the Board) initiated discussions with the representatives of, and advisors to, the RCFs, the Hedging Banks and the SSNs.
- 2.19 The purpose of those discussions was to explore the possibility of deferring the Group's obligations towards such creditors in order to allow the Group to take action to improve its liquidity position and stabilise its capital structure through alternative options, including a possible reduction in the Group's debt and/or the implementation of a restructuring of the Group.
- 2.20 On 1 July 2010, the Group formally engaged Morgan Stanley to provide financial advisory services in connection with possible restructuring options for the Group.

- 2 21 Also on 1 July 2010, the Group announced that it had reached a standstill agreement with the Lenders in respect of certain upcoming principal debt and interest payments in order to provide breathing space for the Group to explore its options. The standstill agreement suspended the rights of creditors in relation to certain events of default that would otherwise have resulted from certain obligations not being met, including but not limited to the following:
- a €17.5 million principal payment and default interest on that amount due from Hellas V to the RCFs on 30 June 2010;
 - payments of €38.7 million due from WIND to the Hedging Banks on 30 June 2010 under the Hedges; and
 - an interest payment of €14.5 million due from Hellas V to the SSNs on 15 July 2010
- 2.22 The standstill agreement was due to remain in place until 5 November 2010. Consenting lenders also agreed to suspend their rights in relation to any non-compliance by the Group with certain financial and other covenants for the duration of the standstill agreement.
- 2 23 The Group also publicly announced a strategic review of its business to ensure WIND's long-term success and solicited offers to acquire WIND or to make an investment in the Group in connection with a restructuring of its debt. Morgan Stanley was asked to run a sales process on its behalf and in addition, Mike Corner-Jones of Alvarez & Marsal was appointed as the Group's Chief Restructuring Officer in line with the terms of the standstill agreement.
- 2 24 Based on the valuation advice received, the fact that the SSNs would need to accept a considerable discount on the par value of their debt and that the RCFs explicitly stated that they wanted to be repaid in full through the restructuring, it was considered that a consensual restructuring (including the SSNs) was not achievable.
- 2 25 The Board decided that the option that maximised the value for creditors was to execute a sale of the Luxcos' assets through a pre-packaged Administration sale having first conducted an extended sale process of WIND.
- 2 26 The process required a Scheme of Arrangement process (the Scheme) in Hellas V in order to secure the agreement of all beneficial holders of the SSNs to the movement of the SSNs out of the Group. A further condition of the transaction was an application for recognition of this Scheme under Chapter 15 of the US Bankruptcy code, as some of the documentation, in particular the SSN indenture, was subject to New York law; this was duly obtained on 13th December 2010.
- 2.27 Further detail is included at Appendix R in line with Statement of Insolvency Practice 16 requirements.
- 2 28 As a result, Alastair P Beveridge, Simon J Appell and Stuart C E Mackellar (the **Joint Administrators**), insolvency practitioners licensed in the UK by the Insolvency Practitioners Association, were appointed Joint Administrators of the Luxcos by an order of the High Court on 10 December 2010.
- 2 29 The Administrations are registered in the High Court, Chancery Division, Companies Court under the following reference numbers:

Company Name	Court reference number
Hellas Telecommunications (Luxembourg)	9883 of 2010
Hellas Telecommunications (Luxembourg) III	9886 of 2010
Hellas Telecommunications IV	9885 of 2010
Hellas Telecommunications (Luxembourg) V	9884 of 2010
Weather Finance III S à r.L.	9882 of 2010

- 2.30 The validity of the Lenders' security and the appointment have been confirmed by our legal advisors Ashurst LLP.
- 2.31 The EC Regulation on Insolvency Proceedings 2000 applies to the Administrations. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Luxcos have their centres of main interest in, and are based in, the United Kingdom.
- 2.32 The Joint Administrators act jointly and severally, so that all functions may be exercised by each Administrator.

3 Administration strategy and objective

- 3.1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives for each of the Luxcos:
- rescuing the company as a going concern; or
 - achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in Administration); or
 - realising property in order to make a distribution to one or more secured or preferential creditors.
- 3.2 As detailed in Appendix R, it was not possible for the Luxcos to achieve a consensual restructuring of its liabilities such that it could remain a going concern. As the Luxco's liabilities are far in excess of the top of the valuation range and offers received, it is not envisaged that it will be possible to rescue any of the Luxcos as a going concern.
- 3.3 Accordingly, the Joint Administrators are pursuing the second objective of achieving a better result for the companies' creditors as a whole than would be likely if the companies were wound up.
- 3.4 Shortly after the appointment, the Joint Administrators completed a pre-packaged sale of certain of the Luxcos' assets, including all the issued share capital in WIND and all the intercompany corporate bond debt owed by WIND to Hellas III, Hellas IV and Hellas V.
- 3.5 In accordance with Statement of Insolvency Practice 16, we have provided further details in respect of the pre-packaged sale at Appendix R.
- 3.6 We have reviewed the transaction and believe it is not a connected party transaction and that it is in the best interests of creditors.
- 3.7 There were no significant assets excluded from the sale agreement.

- 3.8 As a creditors' committee has not yet formed, it was not possible to submit the pre-packaged sale, which was completed shortly after my appointment, to the creditors' committee for consideration/approval. However, in the months leading up to the appointment the Group's major creditors were invited to participate in all stages of the restructuring process and there has been extensive communication in particular with the RCF, SSN creditors and Hedging Banks.

4 Joint Administrators' receipts and payments

- 4.1 A summary of receipts and payments for the Administration period from the date of the appointment to 21 December 2010 is attached as Appendices B - F.
- 4.2 The sale agreement includes a sum of €11.5 million which has been paid into a trust account to fund the Administration costs and expenses to the extent there are insufficient realisations in the estates to cover these costs. Expenses may include, but will not be limited to, Administrators' fees and disbursements, the post-appointment termination costs of the London office facilities and related services, exit route fees for the Luxcos and the costs of any litigation proceedings.
- 4.3 Any sums not used for these purposes are held on trust to be returned to the purchaser.

5 Financial position

- 5.1 A statement of each of the companies' affairs has not yet been received from the Luxcos' managers although we understand that they are currently in the process of finalising these with the assistance of their accountants.
- 5.2 In the absence of a Statement of Affairs, we attach at Appendices G-K a summary of the estimated financial position of each of the Luxcos as at 10 December 2010, together with a list known of creditors' names and addresses. Please note that this is based on information provided by the Luxcos' accountants and no detailed verification or audit of the figures has been undertaken.
- 5.3 As the sale of the Luxcos' assets has completed we do not anticipate the final outcome will vary significantly from the estimated financial position.

6 Proposals

- 6.1 It is proposed that the Joint Administrators continue to manage the affairs of the Luxcos in order to achieve the objective of the Administrations. In the circumstances it is proposed that:
- 6.2 The Joint Administrators shall apply to court to ask for permission to make a distribution to unsecured creditors from the Administrations. Should this request not be granted, then the Joint Administrators will file a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrators to an end and will move the companies automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that the Joint Administrators will become the Joint Liquidators of the CVLs. See Section 7 below on Exit Routes for further information on this process.

- 6.3 The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration.
- 6.4 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the following basis of the Joint Administrators' remuneration, category 2 disbursements and any proposed act on the part of the Joint Administrators without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration
- 6.5 The basis of the Joint Administrators' remuneration may be fixed as one or more of the following bases, and different bases may be fixed for different things done by the Administrators:
- a percentage of the value of the assets he has to deal with; or
 - by reference to time properly spent by them and their staff in managing the Administration; or
 - as a set amount
- 6.6 Where no Creditors' Committee is appointed, the remuneration of the Joint Administrators shall be fixed by reference to the time properly spent by the Joint Administrators and their staff on matters arising in the Administration.
- 6.7 If there are no funds to distribute to unsecured creditors, other than by way of a Prescribed Part, it will fall upon the secured creditors and preferential creditors whose debts amount to more than 50% of the preferential debts of the relevant company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval to approve the Joint Administrators remuneration. Forms to facilitate this will be circulated separately to those creditors
- 6.8 The Joint Administrators are authorised to draw remuneration as and when funds are available on account of their time costs.
- 6.9 The Joint Administrators are authorised to draw category 2 disbursements for services provided by their own firm in accordance with Statement of Insolvency Practice 9 (remuneration of insolvency office holders) as follows.
- photocopying - charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying; and
 - plus any additional Category 2 disbursements.
- 6.10 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

7 Exit routes

Distribution in Administration

- 7.1 A prescribed part dividend will be paid to any unsecured creditors where circumstances dictate this is required. It is currently expected that the Joint Administrators will apply to court for approval to distribute these funds from the Administrations of those Luxcos which have floating charge assets and unsecured creditors. Once the funds have been distributed

the Joint Administrators will file a notice with the Court and with the Registrar of Companies for the dissolution of the Luxcos.

Creditors Voluntary Liquidation

- 7.2 In event that the court does not consent for a dividend to unsecured creditors of the appropriate companies to be made by the Joint Administrators, the Joint Administrators will file a notice with the Registrar of Companies in order that the relevant Administration will cease and the affected company will move automatically into CVL. It is proposed that the Joint Administrators will also become the Joint Liquidators of the CVLs. Any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by any one of them.
- 7.3 Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Joint Administrators prior to these Proposals being approved. Where this occurs, the Joint Administrators will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Joint Administrators will automatically become the Joint Liquidators of any subsequent CVLs

8 Pre-administration costs

- 8.1 Zolfo Cooper LLP (ZC) was engaged by WFill on 12 July 2010 in order to perform contingency planning to prepare for the event that the Group required a formal insolvency process to achieve its financial restructuring.
- 8.2 Fees were incurred on a time costs basis, and legal advisor's fees and out of pocket expenses were also recharged.
- 8.3 The Board considered that a consensual debt restructuring was not achievable and asked ZC to prepare to accept an Administration appointment over the Luxcos and to complete our due diligence in order to implement a pre-packaged sale. The work performed was an integral part of preparing to take the appointment as Administrators. Further detail on the work performed can be found at Appendix R.
- 8.4 Pre-appointment fees charged and expenses incurred by the Joint Administrators and paid by WIND were as follows:

Charged by	Brief description of services provided	Total amount charged (£)	Amount paid (£)	Who payment made by	Amount unpaid (£)
Zolfo Cooper LLP	Contingency planning	795,574.50	795,574.50	WIND	-
Ashurst LLP	Legal advice relating to COMI, SIP 16 and validity of appointment	906,564.26	906,564.26	WIND	-

9 Joint Administrators' remuneration

- 9.1 The Joint Administrators' total time costs at 17 December 2010 are £51,578. This represents 127.5 hours at an average rate of £405 per hour. A copy of "A Creditors' Guide to Administrators' fees" can be downloaded from Zolfo Cooper's website (www.zolfocooper.eu - see Creditors' Guides in the News Publications Events section). If you would prefer this to be sent to you in hard copy please contact the Joint Administrators and they will forward a copy to you. Also attached as Appendices L to P are Time Analyses which provide details of the activity costs incurred by staff grade to the above date. The Joint Administrators propose drawing fees in accordance with the Proposals outlined above.

- 9.2 Attached as Appendix Q is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of the current charge out rates by staff grade. A brief description of the work undertaken to date by the Administrators and their staff follows below.

Administration and planning

The work involved here is dealing with the statutory duties of the Administration and time spent formulating and communicating the Administration strategy, including:

- reporting to creditors, in particular notifying creditors of the appointment and regular reporting to the Lenders,
- formulating strategy with the Administrators' staff, the Luxcos' management team and their advisers; and
- complying with various statutory requirements concerning the preparation and lodgement of documents.

Investigations

This reflects the work completed in respect of the statutory duties of reporting to the Department of Business, Enterprise & Regulatory Reform on the conduct of the directors.

Realisations of Assets

The time incurred here is dealing with the sale of the relevant assets of each company in particular:

- completing the pre-packaged sale of the Luxcos' assets; and
- time costs relating to the Chapter 15 process in the United States.

Creditors

This reflects the time spent with the Luxcos' creditors including meetings and telephone calls.

10 Estimated outcome

Secured creditors

- 10.1 As detailed in Appendix R, the Hedging Banks and Revolving Credit Facility providers have, following the sale, been repaid in full.
- 10.2 The debt owed under the Senior Secured Indenture to the SSNs has been partially repaid. The partial repayment was to Bidco which, following the Scheme referred to at Paragraph 2.26 above, holds 100% of the Senior Secured Notes as a result of the Restructuring. Pursuant to the Scheme of Hellas V, the SSNs will each receive a pro rata share in 10% of the equity in the restructured group. Furthermore, the SSNs will have an opportunity to participate in an offering for the remaining 90% of the equity in the restructured group pro rata to their existing holdings of Senior Secured Notes.

10.3 The Scheme was voted for by 98.43% of SSNs (all of whom voted in favour) on 6 December 2010 at the Scheme's creditors' meeting.

10.4 Realisations will not be sufficient to enable a distribution to the Senior Unsecured Noteholders.

Preferential creditors

10.5 There are no preferential creditors in any of the Luxcos.

Unsecured creditors

10.6 Pursuant to Section 176A of the Insolvency Act 1986 where there is a floating charge which post dates 15 September 2003, the Joint Administrators are required to create a prescribed part from the Luxcos' net property available for the benefit of the unsecured creditors.

10.7 Our legal advice is that the security over the intercompany corporate bonds, granted to the chargeholder, although subject to Luxembourg law and although expressed as a fixed charge, is more akin to a floating charge in nature and would very possibly be treated as such by the courts. The Luxcos granted the various charges to the secured creditors after 15 September 2003 and accordingly, the Joint Administrators are required to create a fund out of the Luxcos' net floating charge property for unsecured creditors.

WFIII

10.8 WFIII did not grant any floating charge security and accordingly there is no requirement to set aside an unsecured creditors' fund. The Joint Administrators estimate that there will be approximately €58,000 available to unsecured creditors. The Administrators are aware of unsecured claims in the sum of €137 million as well as guarantees against the Group's secured creditors' shortfall (approximately €786 million). There are also subordinated intercompany creditors which the Administrators are advised are unable to claim for their debts.

Hellas III

10.9 Based on present information, the Joint Administrators estimate the value of Hellas III's net floating charge property to be €135 million. Arising from this, the value of the unsecured creditors' fund is estimated to be capped at £600,000; however, the Administrators are only aware of unsecured creditor claims in the sum of €83,000 in Hellas III. There are also subordinated intercompany creditors which the Administrators are advised are unable to claim for their debts. Any amount required for the prescribed part unsecured creditors fund will be paid from the Trust account detail in 4.2.

Hellas IV

10.10 Based on present information, the Joint Administrators estimate the value of Hellas IV's net floating charge property to be €70 million. Arising from this, the value of the unsecured creditors' fund is estimated to be the statutory maximum of £600,000, however, the Administrators are only aware of unsecured creditor claims in the sum of €70,000 in Hellas IV. There are also subordinated intercompany creditors which the Administrators are advised are unable to claim for their debts. Any amount required for the prescribed part unsecured creditors fund will be paid from the Trust account detailed in 4.2.

Hellas V

10.11 Based on present information, the Joint Administrators estimate the value of Hellas V's net floating charge property to be €542 million. Arising from this, the value of the unsecured creditors' fund is estimated to be capped at £600,000. The Administrators are aware of

unsecured creditor claims in the sum of €890,000, the majority of which relates to a contingent claim in respect of withholding tax. Any amount required for the prescribed part unsecured creditors fund will be paid from the Trust account outlined in 4.2.

Hellas VI

- 10.12 Hellas VI did not grant any floating charge security over its assets and accordingly there is no requirement to set aside an unsecured creditors' fund. The Joint Administrators estimate that there will be approximately €1.3 million available to non-preferential creditors. The Administrators are aware of unsecured claims in the sum of €50,000 as well as guarantees against the Group's secured creditors' shortfall. There are also subordinated intercompany creditors which the Administrators are advised are unable to claim for their debts.

11 Next report

- 11.1 The Joint Administrators are required to provide a progress report within one month of the end of the first six months of the Administrations.

12 Meeting of creditors

- 12.1 Initial meetings for each company's creditors are being convened to consider and approve the Joint Administrators' Proposals. The meetings will be held on Thursday 13 January 2011 at 10:00 at our London Office, 10 Fleet Place, London, EC4M 7RB.
- 12.2 Further information on the meeting is contained in the letter accompanying this report.

For and on behalf of the Luxcos



S C E Mackellar
Joint Administrator

Enc.

Group structure

Appendix A

Diagram 1: Pre-appointment

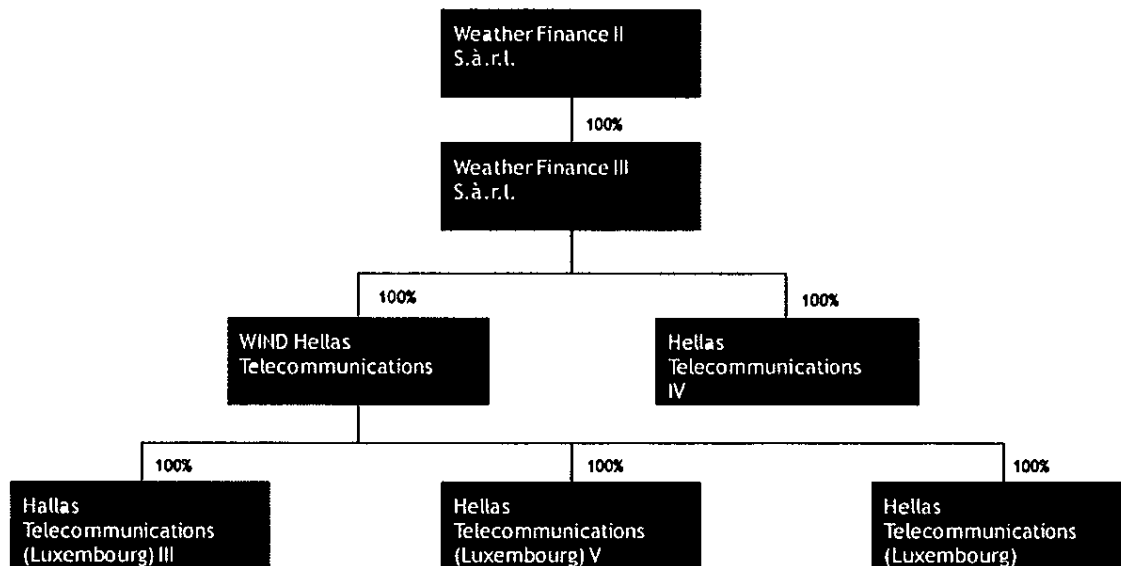
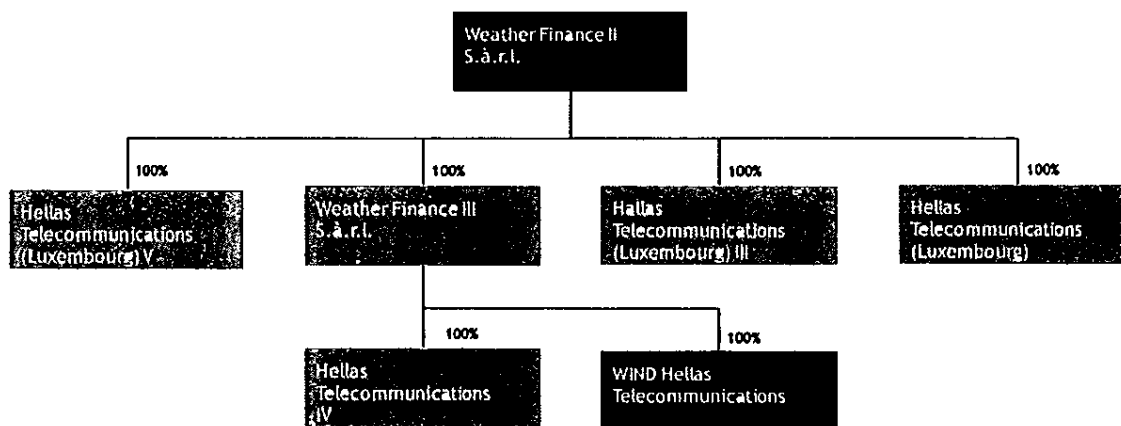


Diagram 2: On appointment



In Administration
 Not subject to Administration proceedings

**Receipts and payments account for Hellas
Telecommunications (Luxembourg) for the
period from 10 December 2010 to 21 December
2010**

Appendix B

RECEIPTS	Total (€)
	<u>-</u>
	-
PAYMENTS	
	<u>-</u>
	-
Balance In Hand	<u>-</u>
	-

Receipts and payments account for Hellas Telecommunications (Luxembourg) III for the period from 10 December 2010 to 21 December 2010

Appendix C

RECEIPTS	Total (€)
Hellas III Rights	9,031.95
CB Bond Programme	<u>135,018,548.17</u>
	<u>135,027,580.12</u>
 PAYMENTS	
Bank Charges	7.07
Distribution to Security Agent	<u>135,018,548.17</u>
	<u>135,018,555.24</u>
 Balance in Hand	 <u>9,024.88</u>

**Receipts and payments account for Hellas
Telecommunications IV S.A.R.L. for the period
from 10 December 2010 to 21 December 2010**

Appendix D

RECEIPTS	Total (€)
CB Bond Programme	70,313,152.86
Hellas IV Rights	<u>4,703.54</u>
	70,317,856.40
 PAYMENTS	
Distribution to Security Agent	<u>70,313,152.86</u>
	70,313,152.86
 Balance in Hand	 <u>4,703.54</u>

Receipts and payments account for Hellas Telecommunications (Luxembourg) V for the period from 10 December 2010 to 21 December 2010

Appendix E

RECEIPTS	Total (€)
Hellas V Rights	36,264.52
CB Bond Programme	<u>542,118,298.98</u>
	542,154,563.50
 PAYMENTS	
Distribution to Security Agent	<u>542,118,298.98</u>
	542,118,298.98
 Balance in Hand	<u>36,264.52</u>

**Receipts and payments account for Weather
Finance III S.A R.L. for the period from 10
December 2010 to 21 December 2010**

Appendix F

RECEIPTS	Total (€)
Shares in WIND Hellas	250,000 00
Weather Finance III Rights	50,000 00
	<u>300,000.00</u>
 PAYMENTS	
Distribution to Security Agent	250,000.00
	<u>250,000.00</u>
 Balance in Hand	 <u>50,000.00</u>

Summary of the estimated financial position of
Hellas Telecommunications (Luxembourg) as at
10 December 2010

Appendix G

Amounts in EUR '000	Book value	Estimated to realise
Uncharged Assets		
Cash and cash equivalents	1,287	1,287
Subordinated intercompany receivables	195	-
	<u>1,482</u>	<u>1,287</u>
Available for non-preferential creditors		1,287
Unsecured non-preferential claims (including secured guarantees)		(786,350)
Estimated deficiency as regards non-preferential creditors		<u>(785,063)</u>
Subordinated intercompany creditor claims		(1,542)
Shortfall to SUNs (under guarantee)		(367,000)
Issued and called up capital		(13)
Total		<u>(1,153,617)</u>

Please note that this is based on information provided by the Group's accountants and no detailed verification or audit of the figures has been undertaken

Name	Creditor of	Address 1	Address 2	Address 3	Address 4	Address 5
Bank of New York as SUN Trustee	All Luxcos except Hellas V	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
Bank of New York Mellon as SSN Trustee	All Luxcos except Hellas III	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
H M Revenue & Customs	All Luxcos	Durrington Bridge House	Barrington Road	Worthing	West Sussex	BN12 4SE
Hellas Telecommunications (Luxembourg)	Hellas III and Hellas V	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) III	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) IV	WFIII, Hellas III and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications I S a r L	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications S a r L	WFIII and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
KPMG Audit S a r L	All Luxcos	9, alle Scheffer	L 2520 Luxembourg		Luxembourg	
Luxembourg Chamber of Commerce	All Luxcos	Chambre de Commerce Luxembourg	L 2981 Luxembourg		Luxembourg	
Luxembourg Tax Authority	All Luxcos	Administration des Contributions	L 2882 Luxembourg	Luxembourg		
MWB Business Exchange Centres Limited	All Luxcos	1 West Garden Place	Kendal Street	London		W2 2AQ
P & T Luxembourg	All Luxcos	Division des	1, rue Emile Bian	L 2999 Luxembourg	Luxembourg	
Stern & Company	All Luxcos	12 15 Hanger Green	Ealing	London		W5 3AY
Weather Capital S a r L	All Luxcos	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance II S a r L	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance III S a r L	Hellas V and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Investments S p A	WFIII	Via del Due Macelli, 66	00187 Rome		Italy	

Summary of the estimated financial position of
Hellas Telecommunications (Luxembourg) III as at
10 December 2010

Appendix H

Amounts in EUR '000	Book value	Estimated to realise
Assets subject to floating charge		
CB bonds	381,760	135,019
	<u>381,760</u>	<u>135,019</u>
Estimated prescribed part of net property		(83)
Estimated assets available for floating charge holders		<u>134,935</u>
Amounts secured by floating charge		(1,534,000)
Shortfall to floating charge holders		<u>(1,399,065)</u>
Available for non-preferential creditors		83
Unsecured non-preferential claims		(83)
Estimated deficiency as regards non-preferential creditors		<u>-</u>
Uncharged assets		
Entitlement to rights	-	9
Subordinated intercompany receivables	259	-
Amounts available to floating charge holders	<u>259</u>	<u>9</u>
Shortfall to floating charge holders		(1,399,056)
Subordinated intercompany creditor claims		(24)
Shortfall to SUNs (under guarantee)		(367,000)
Issued and called up capital		(31)
Total		<u>(1,766,110)</u>

Please note that this is based on information provided by the Group's accountants and no detailed verification or audit of the figures has been undertaken.

Name	Creditor of	Address 1	Address 2	Address 3	Address 4	Address 5
Bank of New York as SUN Trustee	All Luxcos except Hellas V	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
Bank of New York Mellon as SSN Trustee	All Luxcos except Hellas III	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
H M Revenue & Customs	All Luxcos	Durrington Bridge House	Barrington Road	Worthing	West Sussex	BN12 4SE
Hellas Telecommunications (Luxembourg)	Hellas III and Hellas V	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) III	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) IV	WFIII, Hellas III and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications I S a r L	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications S a r L	WFIII and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
KPMG Audit S a r L	All Luxcos	9, rue Scheffer	L 2520 Luxembourg		Luxembourg	
Luxembourg Chamber of Commerce	All Luxcos	Chambre de Commerce Luxembourg	L 2981 Luxembourg		Luxembourg	
Luxembourg Tax Authority	All Luxcos	Administration des Contributions	L 2882 Luxembourg	Luxembourg		
MWB Business Exchange Centres Limited	All Luxcos	1 West Garden Place	Kendal Street	London		W2 2AQ
P & T Luxembourg	All Luxcos	Division des	1, rue Emile Blan	L 2999 Luxembourg	Luxembourg	
Stern & Company	All Luxcos	12 15 Hanger Green	Ealing	London		W5 3AY
Weather Capital S a r L	All Luxcos	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance II S a r L	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance III S a r L	Hellas V and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Investments S p A	WFIII	Via dei Due Maccelli, 66	00187 Rome		Italy	

Summary of the estimated financial position of
Hellas Telecommunications IV S.A.R.L. as at 10
December 2010

Appendix I

Amounts in EUR '000	Book value	Estimated to realise
Assets subject to floating charge		
CB bonds	195,737	70,313
	<u>195,737</u>	<u>70,313</u>
Estimated prescribed part of net property		(70)
Estimated assets available for floating charge holders		<u>70,243</u>
Amounts secured by floating charge		(1,534,000)
Shortfall to floating charge holders		<u>(1,463,757)</u>
Available for non-preferential creditors		70
Unsecured non-preferential claims		<u>(70)</u>
Estimated deficiency as regards non-preferential creditors		-
Uncharged assets		
Entitlement to rights	-	5
Amounts available to floating charge holders	<u>-</u>	<u>5</u>
Shortfall to floating charge holders		(1,463,752)
Subordinated intercompany creditor claims		(194,928)
Shortfall to SUNs (under guarantee)		(367,000)
Issued and called up capital		(13)
Total		<u>(2,025,692)</u>

Please note that this is based on information provided by the Group's accountants and no detailed verification or audit of the figures has been undertaken.

Name	Creditor of	Address 1	Address 2	Address 3	Address 4	Address 5
Bank of New York as SUN Trustee	All Luxcos except Hellas V	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
Bank of New York Mellon as SSN Trustee	All Luxcos except Hellas III	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
H M Revenue & Customs	All Luxcos	Durrington Bridge House	Barrington Road	Worthing	West Sussex	BN12 4SE
Hellas Telecommunications (Luxembourg)	Hellas III and Hellas V	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) III	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) IV	WFIII, Hellas III and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications I S a r l	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications S a r l	WFIII and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
KPMG Audit S a r l	All Luxcos	9, alle Scheffer	L 2520 Luxembourg		Luxembourg	
Luxembourg Chamber of Commerce	All Luxcos	Chambre de Commerce Luxembourg	L 2981 Luxembourg		Luxembourg	
Luxembourg Tax Authority	All Luxcos	Administration des Contributions	L 2882 Luxembourg	Luxembourg		
MWB Business Exchange Centres Limited	All Luxcos	1 West Garden Place	Kendal Street	London		W2 2AQ
P & T Luxembourg	All Luxcos	Division des	1, rue Emile Blan	L-2999 Luxembourg	Luxembourg	
Stem & Company	All Luxcos	12 15 Hanger Green	Ealing	London		W5 3AY
Weather Capital S a r l	All Luxcos	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance II S a r l	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance III S a r l	Hellas V and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Investments S p A	WFIII	Via del Due Macelli, 66	00187 Rome		Italy	

Summary of the estimated financial position of
Hellas Telecommunications (Luxembourg) V as at
10 December 2010

Appendix J

Amounts in EUR '000	Book value	Estimated to realise
Assets subject to fixed charge		
Cash and cash equivalents	37	37
	<u>37</u>	<u>37</u>
Amount secured under fixed charge		(1,534,000)
Shortfall under fixed charge		<u>(1,533,963)</u>
Assets subject to floating charge		
CB bonds	1,540,311	542,118
	<u>1,540,311</u>	<u>542,118</u>
Estimated prescribed part of net property		(600)
Estimated assets available for floating charge holders		<u>541,518</u>
Amounts secured by floating charge		(1,533,963)
Shortfall to floating charge holders		<u>(992,445)</u>
Available for non-preferential creditors		600
Unsecured non-preferential claims		(890)
Estimated deficiency as regards non-preferential creditors		<u>(290)</u>
Uncharged Assets		
Entitlement to rights	-	36
Other receivables	27	-
Subordinated intercompany receivables	1,311	-
	<u>1,338</u>	<u>36</u>
Shortfall to floating charge holders		(992,408)
Shortfall to non-preferential creditors		(290)
Issued and called up capital		(31)
Total		<u>(992,729)</u>

Please note that this is based on information provided by the Group's accountants and no detailed verification or audit of the figures has been undertaken

Name	Creditor of	Address 1	Address 2	Address 3	Address 4	Address 5
Bank of New York as SUN Trustee	All Luxcos except Hellas V	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
Bank of New York Mellon as SSN Trustee	All Luxcos except Hellas III	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
H M Revenue & Customs	All Luxcos	Durrington Bridge House	Barrington Road	Worthing	West Sussex	BH12 4SE
Hellas Telecommunications (Luxembourg)	Hellas III and Hellas V	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) III	WFIII	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) IV	WFIII, Hellas III and Hellas VI	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications I S a r l	WFIII	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications S a r l	WFIII and Hellas VI	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
KPMG Audit S a r l	All Luxcos	9, alle Scheffer	L 2520 Luxembourg		Luxembourg	
Luxembourg Chamber of Commerce	All Luxcos	Chambre de Commerce Luxembourg	L 2981 Luxembourg		Luxembourg	
Luxembourg Tax Authority	All Luxcos	Administration des Contributions	L 2882 Luxembourg	Luxembourg		
MWB Business Exchange Centres Limited	All Luxcos	1 West Garden Place	Kendal Street	London		W2 2AQ
P & T Luxembourg	All Luxcos	Division des	1, rue Emile Blan	L 2999 Luxembourg	Luxembourg	
Stern & Company	All Luxcos	12 15 Hanger Green	Ealing	London		W5 3AY
Weather Capital S a r l	All Luxcos	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Weather Finance II S a r l	WFIII	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Weather Finance III S a r l	Hellas V and Hellas VI	5 rue Guillaume Krohl	L 1882 Luxembourg		Luxembourg	
Weather Investments S p A	WFIII	Via del Due Macelli, 66	00187 Rome		Italy	

Summary of the estimated financial position of
Weather Finance III S.A R.L. as at 10 December
2010

Appendix K

Amounts in EUR '000	Book value	Estimated to realise
Assets subject to fixed charge		
Cash and cash equivalents	76	76
Investments	66,583	250
	<u>66,659</u>	<u>326</u>
Amount secured under fixed charge		(1,534,000)
Shortfall under fixed charge		<u>(1,533,674)</u>
Uncharged Assets		
Entitlement to rights	-	50
Other receivables	138	-
Cash and cash equivalents	8	8
Subordinated intercompany receivables	194,872	-
	<u>195,018</u>	<u>58</u>
Available for non-preferential creditors		58
Unsecured non-preferential claims (including secured guarantees)		(923,162)
Estimated deficiency as regards non-preferential creditors		<u>(923,104)</u>
Subordinated intercompany creditor claims		(145)
Shortfall to SUNs (under guarantee)		(367,000)
Issued and called up capital		(13)
Total		<u>(1,290,262)</u>

Please note that this is based on information provided by the Group's accountants and no detailed verification or audit of the figures has been undertaken.

Name	Creditor of	Address 1	Address 2	Address 3	Address 4	Address 5
Bank of New York as SUN Trustee	All Luxcos except Hellas V	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
Bank of New York Mellon as SSN Trustee	All Luxcos except Hellas III	The Bank of New York Mellon	London Branch	One Canada Square	London	E14 5AL
H M Revenue & Customs	All Luxcos	Durrington Bridge House	Barrington Road	Worthing	West Sussex	BN12 4SE
Hellas Telecommunications (Luxembourg)	Hellas III and Hellas V	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) III	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications (Luxembourg) IV	WFIII, Hellas III and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications I S a r L	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Hellas Telecommunications S a r L	WFIII and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
KPMG Audit S a r L	All Luxcos	9, alle Scheffer	L 2520 Luxembourg		Luxembourg	
Luxembourg Chamber of Commerce	All Luxcos	Chambre de Commerce Luxembourg	L 2981 Luxembourg		Luxembourg	
Luxembourg Tax Authority	All Luxcos	Administration des Contributions	L 2882 Luxembourg	Luxembourg		
MWB Business Exchange Centres Limited	All Luxcos	1 West Garden Place	Kendal Street	London		W2 2AQ
P & T Luxembourg	All Luxcos	Division des	1, rue Emile Bian	L 2999 Luxembourg	Luxembourg	
Stern & Company	All Luxcos	12 15 Hanger Green	Ealing	London		W5 3AY
Weather Capital S a r L	All Luxcos	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance II S a r L	WFIII	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Finance III S a r L	Hellas V and Hellas VI	5 rue Guillaume Kroll	L 1882 Luxembourg		Luxembourg	
Weather Investments S p A	WFIII	Via del Due Macelli, 66	00187 Rome		Italy	

Time analysis for Hellas Telecommunications
(Luxembourg) for the period from 10 December
2010 to 17 December 2010

Appendix L

	Employee Grade (Hours)					(€'s)	
	Partner / Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support	Total Hours	Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	1 6	0 4	3 6	0 0	5.6	2,442 00	436
Statutory Duties	0 1	2 0	1 9	0 0	4.0	1,607.00	402
Job Administration	0 0	0 2	0 9	0 1	1.2	396.50	330
Cash Accounting and Time Records	0.2	0.0	0 0	0 8	1.0	322 00	322
Realisation of Assets - Floating Charge							
Sale of Assets	0 0	3 9	5 2	0 0	9.1	3,477.50	382
Insurance	0 0	0 0	0 2	0 0	0 2	64 00	320
Creditors							
Bank and Creditor Reporting	0 0	0 0	1 0	0 0	1.0	320.00	320
Creditor Dealings	0 0	0 0	0 1	0 0	0.1	29.00	290
Creditor Claims	0 0	0 0	0 0	0 0	0.0	0.00	-
Totals	1.9	6.5	12.9	0.9	22 2	8,658.00	390

Time analysis for Hellas Telecommunications
(Luxembourg) III for the period from 10
December 2010 to 17 December 2010

Appendix M

	Employee Grade (Hours)					(€'s)	
	Partner / Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support	Total Hours	Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	1.7	0.4	3.6	0.0	5.7	2,511.00	441
Statutory Duties	0.1	2.0	1.9	0.0	4.0	1,607.00	402
Job Administration	0.0	0.2	0.9	0.1	1.2	396.50	330
Cash Accounting and Time Records	0.2	0.0	0.0	0.8	1.0	322.00	322
Realisation of Assets - Floating Charge							
Sale of Assets	0.0	6.4	5.2	0.0	11.6	4,640.00	400
Insurance	0.0	0.0	0.2	0.0	0.2	64.00	320
Creditors							
Bank and Creditor Reporting	0.0	0.0	1.0	0.0	1.0	320.00	320
Creditor Dealings	0.0	0.0	0.1	0.0	0.1	29.00	290
Totals	2.0	9.0	12.9	0.9	24.8	9,889.50	399

Time analysis for Hellas Telecommunications IV
S.A.R.L. for the period from 10 December 2010
to 17 December 2010

Appendix N

	Employee Grade (Hours)					(€'s)	
	Partner / Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support	Total Hours	Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	3 6	0 4	3 6	0 0	7.6	3,822.00	503
Statutory Duties	0 0	2.0	1 9	0 0	3.9	1,538.00	394
Job Administration	0 0	0 2	0.9	0.1	1.2	396.50	330
Cash Accounting and Time Records	0 2	0 0	0 0	0 8	1 0	322.00	322
Realisation of Assets - Floating Charge							
Sale of Assets	0 0	6 4	5.2	0.0	11.6	4,640.00	400
Insurance	0 0	0 0	0 2	0 0	0 2	64.00	320
Creditors							
Bank and Creditor Reporting	0 0	0 0	1 0	0 0	1.0	320.00	320
Creditor Dealings	0 0	0.0	0.1	0.0	0.1	29.00	290
Creditor Claims	0 0	0 0	0 0	0 0	0.0	0.00	-
Totals	3.8	9.0	12 9	0 9	26 6	11,131.50	418

Time analysis for Hellas Telecommunications
(Luxembourg) V for the period from 10
December 2010 to 17 December 2010

Appendix O

	Employee Grade (Hours)					(€'s)	
	Partner / Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support	Total Hours	Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	1 8	0 4	3 6	0 0	5 8	2,580.00	445
Statutory Duties	0 1	2 1	1 9	0 0	4 1	1,653.50	403
Job Administration	0 0	0 2	0 9	0 1	1 2	396.50	330
Cash Accounting and Time Records	0 2	0 0	0 0	0 8	1 0	322.00	322
Realisation of Assets - Floating Charge							
Sale of Assets	0 0	5 4	6 4	0 0	11 8	4,559.00	386
Insurance	0 0	0 0	0 2	0 0	0 2	64.00	320
Creditors							
Bank and Creditor Reporting	0 0	0 0	1 0	0 0	1 0	320.00	320
Creditor Dealings	0 0	0 0	0 1	0 0	0 1	29.00	290
Totals	2.1	8.1	14.1	0.9	25.2	9,924.00	394

Time analysis for Weather Finance III S.A R.L. for
the period from 10 December 2010 to 17
December 2010

Appendix P

	Employee Grade (Hours)					(£'s)	
	Partner / Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support	Total Hours	Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	4.3	0.4	3.6	0.0	8.3	4,235.00	510
Statutory Duties	0.1	2.1	2.4	0.0	4.6	1,813.50	394
Job Administration	0.0	0.2	0.9	0.1	1.2	396.50	330
Cash Accounting and Time Records	0.2	0.0	0.0	1.4	1.6	460.00	288
Realisation of Assets - Floating Charge							
Sale of Assets	0.0	6.4	5.2	0.0	11.6	4,640.00	400
Insurance	0.0	0.0	0.2	0.0	0.2	64.00	320
Creditors							
Bank and Creditor Reporting	0.0	0.0	0.6	0.0	0.6	192.00	320
Creditor Dealings	0.0	0.0	0.6	0.0	0.6	174.00	290
Totals	4.6	9.1	13.5	1.5	28.7	11,975.00	417

Additional information in relation to the Joint Administrators' fees pursuant to Statement of Insolvency Practice 9

Appendix Q

Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

Staff allocation and the use of sub-contractors

The Joint Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Senior Associate, an Associate and an Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Joint Administrators charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, the Joint Administrators would advise that time spent by treasury in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do the Joint Administrators seek to charge and recover their time in this regard.

The Joint Administrators have not utilised the services of any sub-contractors in this case.

Professional advisors

On this assignment the Joint Administrators have used the professional advisors listed below. The Joint Administrators have also indicated alongside, the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional Advisor	Basis of fee arrangement
Ashurst LLP (legal advice)	Hourly rate and disbursements
Willis Limited (insurance)	Risk based premium
Paul, Weiss, Rifkind, Wharton & Garrison LLP (US Counsel)	Hourly rate and disbursements
Molitor Avocats a la Cour (European Counsel)	Hourly rate and disbursements
The Law Offices of Panagopoulos, Valanidis, Schina, Economou (Greek Counsel)	Hourly rate and disbursements
Hill & Knowlton (PR advice)	Hourly rate and disbursements

The Joint Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by the Joint Administrators and their staff.

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the Joint Administrators Proposals. Category 2 disbursements that may be incurred are as follows:

- Photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying

Charge out rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 January 2009 is detailed below.

Description	£
Partner/Director:	
Partner 1*	690
Partner 2*	620
Director	515
Senior Associate.	
Senior Associate 1*	465
Senior Associate 2*	400
Associate/Analyst:	
Associate	320
Analyst*	290
Junior Analyst and Support Staff:	
Junior Analyst*	205
Senior Treasury Associate	230
Treasury Associate	155
Treasury Analyst	110
Support	85

***Key**

Partner 1 - Partners with 3 or more years experience at partner level

Partner 2 - Partners with less than 3 years experience at partner level

Senior Associate 1 - Staff who have been Senior Associates for over 2 years

Senior Associate 2 - Staff who have been Senior Associates for less than 2 years

Analyst - Staff who have been Analysts for more than 1 year

Junior Analyst - First year Analysts

Information in relation to the pre-packaged sale

Appendix R

Below is information in relation to the pre-packaged sale of the Luxcos' assets to Crystal Almond S.à r.l. (Bidco) in accordance with the provisions of Statement of Insolvency Practice 16

The source of the Administrators' initial introduction

Zolfo Cooper was introduced to the restructuring process by White & Case LLP in their capacity as the Group's legal adviser in July 2010, when it became apparent that the Group needed to consider the various restructuring options available to it.

The extent of the Administrators' involvement prior to appointment

Due to the debt level and structure of the Group, the Board decided that a debt restructuring of the Group was required, either on a consensual basis or through an insolvency process. The Board considered that a consensual debt restructuring was not likely and asked Zolfo Cooper to prepare to accept an Administration appointment over the Luxcos and to complete our due diligence in order to implement a pre-packaged sale.

The services provided to the Group included a high level review of the restructuring options available to them on both a solvent and insolvent basis whilst a marketing process was undertaken by Morgan Stanley for a sale of WIND, and the preparation of a contingency plan designed to be implemented in the event that the Group was unable to reach a consensual solution with its lenders.

Over the course of our engagement we have reviewed actions taken by the Group and their relevant advisors in order to enable us to form a view as to whether it would be appropriate for us to take an appointment and execute a subsequent sale transaction. We have also reviewed certain aspects of the consent documentation, which was negotiated with some senior creditors, material to any administration sale and the sale documentation negotiated with the final bidders.

As part of our work we have monitored the progress of the Group's restructuring and the sale process, including the valuation standards used. We have attended, as observers, all Board meetings since our engagement, including key meetings where indicative and final offers were discussed. We have also attended all key meetings with the interested parties, including the RCFs and the SSNs. This helped us to ensure that we were satisfied that a thorough process had been conducted and that the final bid accepted represented the best return for the companies' creditors.

Details of the assets involved and the nature of the transaction

The Senior Secured Working Group submitted an offer in the amount of €759.3 million (the Purchase Price) which would repay the RCF Lenders and Hedging Banks in full (the SSN Offer). Further details are included below.

The transaction involved the sale by WFIII, Hellas V, Hellas III and Hellas IV (the Sellers) to Bidco, a special purpose acquisition vehicle, of all the issued share capital in WIND and all the intercompany CB Debt owed by WIND to the Sellers (the Target Assets) by way of a pre-packaged Administration sale.

Bidco is a wholly owned subsidiary of a special purpose investment vehicle, Bidco Two S.à r.l (Holdco), which, following the implementation of an English law scheme of arrangement of Hellas V (the Scheme) is wholly owned by the holders of the SSNs.

On completion of the Administration sales, the Security Agent released all security, guarantees and other claims in respect of the Target Assets under the authority given to it in the Intercreditor Agreement and the Intercreditor agreement relating to the corporate bond debt.

€420 million of new money (New Money Amount) was used to fund transaction costs and part of the Purchase Price. The New Money Amount was fully underwritten by the SSN Committee. The SSNs have the right to subscribe for their pro rata amount of additional shares in Holdco (New Money Shares) pursuant to the Scheme.

Subject to the below paragraph, the aggregate subscription price for the New Money Shares was the New Money Amount and subscribers for the New Money Shares are, in aggregate, entitled to 90% of the ordinary issued share capital of Holdco. The remaining 10% of the ordinary issued share capital of the restructured group is held by all Senior Secured Investors pro rata (as explained in more detail in Paragraph 10.2 above).

The New Money Amount was provided on closing to repay the RCFs and Hedging Banks in cash in full, pay certain fees and expenses of the restructuring and provide a significant liquidity injection in WIND as this was a condition of acceptance by the RCFs and Hedging Banks. On closing of the SSN Offer, WIND was released from guarantee obligations in respect of the €1,245 million SSN and €355 million SUN and provided significant liquidity to support the execution of WIND's business plan and improve its market position on a long term basis.

The consideration for the transaction, terms of payment and any condition of the contract that could materially affect the consideration

The total consideration paid by Bidco was €747,800,000, together with funded costs of €11,500,000 as set out in the table below:

Company	Asset description	CB debt (principal and interest) as at 30 September 2010 (€)	Consideration allocation		
			CB debt allocation (€)	Rights allocation (€)	%
Hellas III	CB1 Bonds	179,008,777	64,089,922	8,953	17.9%
	CB1a Bonds	194,803,669	69,744,915		
Hellas IV	CB2 Bonds	75,359,316	26,980,648	4,599	9.2%
	CB5 Bonds	116,688,889	41,777,738		
Hellas V	CB3 Bonds & Revolving	1,040,231,373	372,430,610	36,448	72.9%
	CB3a Bonds	101,102,509	36,197,398		
	CB4 Bonds	172,576,005	61,786,818		
	CB6 Bonds	207,922,898	74,441,950		
Total			747,450,000	50,000	100.0%
				747,500,000	
WFIII	Shareholding in WIND			250,000	
	Rights			50,000	
Luxcos	Funded Costs			11,500,000	
Total				759,300,000	

The equity value of WFIII's shareholding in WIND was negligible due to the level of debt, therefore a nominal value of €250,000 has been allocated to the shares.

The Luxcos' value lay in the corporate bonds held by Hellas III, Hellas IV and Hellas V detailed in Paragraphs 2.9 to 2.11 of the Joint Administrators' proposals.

As the corporate bond debt was not ranked, the sum of €747,450,000 has been allocated to the corporate bonds held by each of Hellas III, Hellas IV and Hellas V in proportion to the aggregate value of secured bonds held by the three companies, as detailed in the table above.

A nominal value of €50,000 has been assigned to the rights of WFIII and the same amount also shared between the rights of Hellas III, Hellas IV and Hellas V in respect of agreements given by those companies in respect of WIND's obligations pursuant to the hedging unwind amendment agreements entered into between WIND and JP Morgan Chase Bank and Deutsche Bank respectively. The shared amount has also been allocated in proportion to the value of Corporate Bonds held by each company.

To the best of Zolfo Cooper's knowledge:

- no directors had given guarantees for amounts due from the Group to any creditors; and
- there are no options, buy-back arrangements or similar conditions attached to the contract of sale.

Funded costs

The SSN offer included a sum of €11.5 million, which was paid into a trust account to fund the Administration costs and expenses of WFIII, Hellas III, Hellas IV and Hellas V. Expenses may include but will not be limited to Administrators' fees and disbursements, the post-appointment termination costs of the London office facilities and related services, exit route fees for the Group and the costs of any litigation proceedings.

Assets excluded from the transaction

There were no material assets excluded from the transaction.

Marketing activities conducted by the Group and/or the Administrator

The sale process was conducted by Morgan Stanley's specialist M&A telecoms group based in Paris. 41 parties were contacted as part of the sales process as detailed below:

- an initial approach to 37 parties (12 strategic buyers, 23 financial buyers, RCF creditors and SSN creditors); and
- reverse enquiries received from four financial buyers.

The process was run publicly and widely in order to attract as much interest as possible.

On 15 September 2010, the Luxcos received six binding offers which ranged from €683 million to €937 million and again included a variety of proposed debt/equity structures for the lenders to consider. Each bidder was then subsequently invited to present their offer to the Board, the RCF Working Group and the Senior Secured Working Group.

Following on from this, a series of discussions took place both at a Board level and with the RCF Working Group and Senior Secured Working Group. A member of the Zolfo Cooper team was present at each Board meeting and other critical meetings to observe the process. Whenever one of the Joint Administrators was not present at a meeting, they were informed of the nature of the discussions by a member of the Zolfo Cooper team who was present at the relevant meeting.

Following a review of the offers received and after consultation with the RCF Working Group and Senior Secured Working Group, the directors took the decision to remove two parties from the process. It is understood that the directors made it clear to these parties that this did not preclude them from submitting more attractive offers if they were in a position to do so.

Although one of the parties had submitted the highest offer, the RCF Working Group, the Senior Secured Working Group and the Board considered the business plan was implausible. The offer was highly conditional and it did not provide for the RCF to be repaid in cash (a point on which the RCF Working Group were most insistent). Morgan Stanley also expressed concerns about the structuring and documentation issues associated with the proposed new money to be invested. Without the support of the RCF Working Group and the Senior Secured Working Group, the offer was incapable of implementation through a consensual restructuring and we were therefore comfortable with its removal from the process.

The final four parties were invited to submit their best and final offers by 25 September 2010 and specific guidance was provided by the Board to each of the parties to encourage an improvement to each of the offers. Advisors to the RCF Working Group and SSN Working Group were invited to the discussions to ensure that the views and position of their clients were properly communicated. A competitive environment was maintained to solicit the best possible terms from bidders.

The RCF Lenders and SSN Working Group were then requested to communicate to the Board by 27 September 2010 which offer they would be prepared to accept and the reasons for their decision. The feedback from both sets of lenders was categorical but diametrically opposed. The RCF Working Group informed the Board that they would only support the offer from a major telecommunications company, which would repay them in full. The Senior Secured Working Group indicated that they would only support their own offer which involved the RCF lenders agreeing to roll over their debt and remain as lenders to the restructured group.

Given that a consensual deal required the support of both the RCF Working Group and the Senior Secured Working Group, the Board wrote to the RCF Working Group and the Senior Secured Working Group on 27 and 28 September 2010 respectively setting out their concerns. The correspondence advised that the directors were unable to progress a deal unless consensus was achieved and requested that the two parties reach an acceptable agreement.

Unfortunately this impasse continued, putting the WF3 directors in a difficult position. Based on the information received, the valuations of the Group, the fact that the SSN bid was the highest deliverable offer and that the SSNs were the "fulcrum" creditors (i.e. the secured creditors holding the tranche of debt in which it is believed that "the value breaks"), the directors of WF3 advised both the RCF Working Group and Senior Secured Working Group that the Senior Secured Working Group were the Preferred Bidder.

Again, the directors requested that the RCF Working Group and the Senior Secured Working Group reach an acceptable agreement. The RCF Working Group reinforced their position that no deal would be capable of implementation without their consent and maintained that they would need to be "cashed out" in any restructuring. If this could not be achieved through a consensual restructuring, they advised that they were prepared to take a non-consensual route working with another bidder to force a sale.

The Senior Secured Working Group eventually conceded that they had little choice but to make an offer that repaid the RCF and Hedging Debt in full if they wanted to avoid an alternative bid being pursued. On 15 October 2010, the Senior Secured Working Group duly submitted an offer in the amount of €759.3 million which would repay the RCF Lenders and Hedging Banks in full. The SSN Offer was selected as the preferred bidder on the basis that it was the only offer that could facilitate a consensual restructuring between the secured creditors. The RCF Working Group and the Senior Secured Working Group have made it clear that the only bid which they were prepared to approve was the SSN offer.

Valuations obtained of the business or the underlying assets

Morgan Stanley carried out a valuation of WIND using four methodologies: trading comparables; precedent transactions; discounted cash flow; and LBO. Morgan Stanley's report (the "Morgan Stanley Report") makes it clear that their valuation work was produced for the Group only and that the proposed administrators would not have direct reliance on it.

JP Morgan, the Security Trustee, was only permitted to release the Group's security pursuant to the Intercreditor Agreement if the transaction value falls within the valuation range of an independent fairness opinion. JP Morgan engaged an independent investment bank to produce a fairness opinion for this purpose (the "Fairness Opinion"). Although Zolfo Cooper does not have direct reliance in respect of the Fairness Opinion, and its contents are not permitted to be disclosed, the valuation contained in the Fairness Opinion is consistent with the valuation contained in the Morgan Stanley Report. The theoretical valuation range in the Morgan Stanley Report and the market testing process indicated that the value clearly broke well within the SSNs.

The Zolfo Cooper Corporate Finance team has reviewed the assumptions, basis and methodologies of both valuations and is satisfied with the approach taken. The Joint Administrators are comfortable to proceed with the proposed transaction without reliance on the valuations provided due to:

- the level and public nature of marketing undertaken;
- the fact that we have had sight of an independent investment bank's valuation which concludes that the value clearly breaks in the SSNs and which indicates that all of the actual bids received fall within the range of the valuations;
- the theoretical nature of valuations; and
- the fact that the SSN Working Group, as "fulcrum creditors", have agreed to the proposed transaction.

In light of the matters set out above, the Joint Administrators are satisfied that the SSN Offer represented the best price reasonably obtainable for the assets of the Group in the current circumstances.

Alternative courses of action that were considered by the Administrators, with an explanation of possible financial outcomes and why it was not appropriate to trade the business and offer it for sale as a going concern during the administration

We have considered whether any other course of action might be possible to pursue which would result in a better return to creditors than the SSN Offer. A summary of the potential restructuring and insolvency options for the companies and Group are set out below:

Option 1 - Fully consensual debt restructuring (out of court)

As stated in Paragraph 2.21, a standstill agreement was reached on 1 July 2010. At that time, the Hedging Banks, the RCF Lenders and SSN Working Group discussed the options that were available to them with their advisers.

Based on the valuation advice received and the fact that the SSNs would need to accept a considerable discount on the par value of their debt, the Board and their advisers considered that the SUNs' interest could not continue to exist as debt if a sustainable level of debt were to be carried forward. The SSN Working Group, as "fulcrum creditors", did not want the SUN Holders to receive any equity in the new capital structure and the RCF Lenders explicitly stated that they wanted to be repaid in full through the restructuring. The Board therefore did not consider that a consensual restructuring was achievable. Based on our observation of negotiations with the Senior Secured Working Group and the RCF Working Group, the value of the Group, and the ability of WIND to generate cash, there was not a realistic opportunity to restructure the debt in such a way as to give a residual interest to all creditor groups

Option 2 - Trading administration of the companies and going concern sale of WIND

There are significant costs and execution risks associated with trading the companies in administration, whilst looking for a buyer of WIND. These include the following:

- **Impact on operations:** given the public nature of the process to date, suppliers and customers of WIND would become aware very quickly that the companies had entered into an insolvency process. This heightened sense of risk would be likely to lead to reduced credit terms and reduced revenue, thereby increasing the working capital requirements of WIND. Due to the limited headroom in the Group's facilities, the secured creditors would ultimately need to fund this working capital requirement in order to preserve the value of WIND. This funding requirement would be significant. Furthermore, any new financing which was secured would require the consent of both the RCF Lenders and the SSN Working Group. Both groups made clear that the proposed restructuring was the only course that they wished to pursue. Whilst an administrator could borrow as an expense of the administration, it would not be economically feasible for them to incur such liabilities unless they were confident that by doing so they could achieve a significantly better outcome than the proposed restructuring. We have seen no reason to suggest that this would be possible (as discussed below);
- **Costs:** there would also be a significant level of professional fees associated with a trading administration of the companies due to the increased level of monitoring of WIND that would be required;
- **Competitors:** the Joint Administrators are aware that the telecommunications market in Greece is extremely competitive. A trading administration of the companies would give WIND's two main competitors, Vodafone and Cosmote, ammunition to exploit WIND's position and increase their market share at WIND's expense, further damaging its market value;
- **Impact on value:** It is also important to note that Morgan Stanley has carried out a comprehensive and public sale process for WIND prior to the appointment. The Zolfo Cooper Corporate Finance team has reviewed Morgan Stanley's approach and have concluded that it was a well-run sale process. We do not believe that any other party would be identified by extending the sale process post appointment. There is also a risk that the distressed nature of the sale, out of administration, would result in a lower sale price being achieved therefore impacting on value for creditors; and
- **Greek tax liability:** WIND is subject to a tax audit with the Greek tax authorities potentially claiming many tens of millions of Euros. In the event of administrations of each of the companies commencing, there is a possibility that the Greek tax authorities would have looked for a swift resolution of this and push for early repayment. The Greek tax authorities' claim would rank as a form of priority debt in the event of an insolvency of WIND, thus giving the tax authorities a strong bargaining position. Given the poor macro-economic position in Greece at present, the tax authorities pressing for immediate payment was considered a real risk. This would have had an additional negative impact on WIND's funding requirements.

Option 3 - Trading administration of the Group

We have also considered the possibility of an administration of the whole group, including WIND. This option would have similar risks to those identified above. In addition, the professional costs would be significantly larger (due to the daily involvement in running the business), it is more likely that customers would be lost, there would be multiple breaches of contract due to insolvency provisions being tripped and there would be a potential loss of key staff.

Option 4 - "Pre-packaged" administration

A pre-packaged administration of the companies is a quick process, ensuring minimum disruption to the business and enables the execution and control risks identified above to be managed. This preserves the integrity of WIND's business and provides confidence to stakeholders that the company will survive.

As stated above, Morgan Stanley conducted a comprehensive and public sale process over a 14 week period. We do not believe that extending the sale process further, post appointment, would have led to greater returns. Rather, to have done so would more than likely have led to a lower sale price due to the distressed nature of the sale. The "pre-pack" option also resulted in no additional funding request to the RCF Lenders or the SSN Working Group, over and above the transaction costs.

Other options

Whilst the restructuring might feasibly have been carried out through a liquidation, the managers stated that they would not choose this process due to the negative publicity associated with a liquidation, which could adversely impact the value achieved for the secured creditors. There was also a risk that the Group would lose its telecommunications licence in Greece which would be detrimental to the value of the business. Both a compulsory and voluntary liquidation would have been slower to achieve and far less flexible in terms of the ability of the officeholder to act. The Joint Administrators were therefore of the view that administration was by far the most effective procedure to use.

Requests made to potential funders to fund working capital requirements

Whilst WIND was still profitable at an EBITDA level, the Group was over leveraged and therefore a financial restructuring was required as it could not afford to service its debt. Without this restructuring no party would be willing to inject the working capital it required. On the Q2 investor call detailed below, the participants on the call were also invited to provide additional investment into the Group.

Efforts made to consult with major creditors

As detailed above, the Hedging Banks, the RCF and SSN lenders were fully engaged in the restructuring and sale process.

At an early stage the RCF lenders made it clear that their objective was to be "cashed out" through the restructuring process and this was finally achieved through a consensual deal with the SSN Working Group.

The SSN Working Group are the fulcrum creditor and their position in the process was to potentially be either a buyer or a seller. Ultimately no offers were made that were sufficiently attractive for them to accept and they therefore progressed a consensual deal with the RCF lenders for the acquisition of the shares in WIND Hellas and the CB debt.

Greenberg Traurig Maher LLP ("GTM"), who have stated that they act for one or more of the SUN Holders, have corresponded directly with White & Case and Alvarez & Marsal during the course of the sale process.

The holders of the SUNs have been kept informed of the restructuring process and have been given the opportunity to come forward and to put forward their own proposals, either to buy the assets of the Group or to restructure. However, they have not brought forward any proposals, nor have they attempted to engage in the process beyond the correspondence above.

An investor call was held by WIND on 23 August 2010 to provide an update on the Group's Q2 results and the sale process. The Board contacted GTM to inform them about WIND's second quarter presentation beforehand, but received no further substantive contact from GTM or any other representative of the SUNs. All participants on the call were explicitly invited to make an offer for the business and/or provide additional investment into the Group. Members of my team were present on the call in order to observe the proceedings.

Other than certain intercompany creditors (of limited value) and the possibility of a debt to HMRC in Hellas V there are no other known creditors of the companies

The date of the transaction

The pre-packaged sale was completed on 16 December 2010.

If the sale is part of a wider transaction, a description of the other aspects of the transaction

The above transaction completes the current restructuring for the Group.

Any connection between the purchaser and the directors, shareholders or secured creditors of the Luxcos

As detailed in this document, Bidco is part of a special purpose vehicle incorporated by the SSN Working Group to purchase the assets of the Group.

The names of any directors, or former directors of the Luxcos who are involved in the management or ownership of the purchaser, or of any other entity into which any of the assets are transferred.

Michael Corner-Jones will continue to be a manager of WIND. We are also advised that Alvarez and Marsal will continue to advise WIND in the short term.

Whether any directors had given guarantees for amounts due from the Luxcos to a prior financier and whether that financier is financing the new business

None known.

Any options, buy-back arrangements or similar conditions attached to the Contract of Sale

None known