

The data and information following below aim to present a general information for the financial position and the results of the company "LANNET COMMUNICATIONS SA." and the group of companies. Therefore, we recommend the reader to go back to company's internet address where the financial statements are displayed in accordance with the International Accounting Standards as well as the certified accountant auditor's report, before he/she proceeds to an investment or any other transaction with the Company.

Date of approval by the BoD : 20th of March 2007

Certified Accountant Auditor: Theodoros G. Zervos Reg. No. S.O.E.L. 17591  
 Audit company: BDO PROTYPOS HELLENIC AUDITORS SA

Type of report: Approved

BALANCE SHEET (amounts in €)				CASH FLOW STATEMENT (amounts in €)					
	CONSOLIDATED DATA		COMPANY DATA			CONSOLIDATED DATA		COMPANY DATA	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005		1/1-31/12/2006	1/1-31/12/2005	1/1-31/12/2006	1/1-31/12/2005
<b>ASSETS</b>					<b>Cash flows from operating activities</b>				
Tangible assets	98,697,220	33,296,585	99,716,343	33,296,585	Loss before taxes	-12,416,394	-6,584,453	-11,148,182	-6,584,453
Inventories	454,546	228,096	404,130	228,096	Plus/less adjustments for:				
Trade receivables	38,914,083	21,169,905	36,231,891	21,169,905	Depreciations	8,978,597	4,592,009	8,890,610	4,592,009
Other assets	20,640,477	16,387,716	19,962,919	16,387,716	Provisions	4,066,266	----	248,782	----
<b>TOTAL ASSETS</b>	<b>158,706,326</b>	<b>71,082,302</b>	<b>156,315,283</b>	<b>71,082,302</b>	Results (revenues, expenses, profit/loss) from investing activities	-7,140	23,230	217,103	23,230
<b>LIABILITIES</b>					Debit interest and similar expenses	3,977,440	2,246,588	3,341,907	2,246,588
Long-term liabilities	21,589,453	19,743,846	21,900,207	19,743,846	Plus/minus adjustments for working capital changes	-226,450	1,867,482	99,714	1,867,482
Short-term liabilities	9,928,358	8,492,219	9,551,400	8,492,219	Decrease/(increase) in inventories	-8,120,690	3,976,750	-6,836,703	3,976,750
Other short-term liabilities	63,673,295	9,560,302	56,356,336	9,560,302	Decrease/(increase) in receivables	33,653,840	-16,976,701	13,440,604	-16,976,701
<b>Total liabilities (a)</b>	<b>95,590,016</b>	<b>37,796,367</b>	<b>87,707,943</b>	<b>37,796,367</b>	Debt interest and similar expenses paid	-3,397,440	-2,246,588	-3,341,907	-2,246,588
Shareholders Equity	97,057,760	54,584,246	97,057,760	54,584,246	Less:				
Other Shareholders Equity Accounts	-34,037,127	-21,296,311	-28,450,420	-21,296,311	Profit from security sales	76,955	335,811	335,811	335,811
<b>Total Equity (b)</b>	<b>63,020,633</b>	<b>33,285,935</b>	<b>68,607,340</b>	<b>33,285,935</b>	<b>Total inflows/outflows from operating activities (a)</b>	<b>22,191,434</b>	<b>-13,101,683</b>	<b>5,237,839</b>	<b>-13,101,683</b>
Minority Interest (c)	96,277	0	0	0	<b>Cash flow from investing activities</b>				
<b>Total Equity (d)=(b)+(c)</b>	<b>63,116,310</b>	<b>33,285,935</b>	<b>68,607,340</b>	<b>33,285,935</b>	Acquisition of subsidiaries and other investments	-28,728,546	-975,618	-26,806,200	-975,618
<b>TOTAL LIABILITIES AND EQUITY (a)+(d)</b>	<b>158,706,326</b>	<b>71,082,302</b>	<b>156,315,283</b>	<b>71,082,302</b>	Purchase of tangible and intangible assets	-1,392,555	-1,611,102	-1,296,696	-1,611,102

INCOME STATEMENT (amounts in €)				
	CONSOLIDATED DATA		COMPANY DATA	
	1/1-31/12/2006	1/1-31/12/2005	1/10-31/12/2006	1/10-31/12/2005
Turnover	60,949,499	55,094,754	22,735,000	14,659,633
Gross profit/(Loss)	29,345,071	25,266,428	8,967,952	6,752,893
Profit/(Loss) before taxes, finance investment results and depreciations	208,226	793,078	-177,001	8,258,974
Profit/(Loss) before taxes, finance and investment results	-8,770,371	-3,798,931	-6,507,547	7,132,566
Profit/(Loss) before taxes	-12,416,392	-6,584,453	-7,028,367	6,614,258
Less Taxes	8,876	----	8,876	----
<b>Profit/(Loss) after taxes from continuing operations (a)</b>	<b>-12,407,516</b>	<b>-6,584,453</b>	<b>-7,019,491</b>	<b>6,614,258</b>
<b>Profit/(Loss) after taxes from discontinued operations (b)</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>
<b>Profit/(Loss) after taxes (continuing and discontinued operations (a)+(b))</b>	<b>-12,407,516</b>	<b>-6,584,453</b>	<b>-7,019,491</b>	<b>6,614,258</b>
Shareholders of the parent	-12,407,516	-6,584,453	-7,019,491	6,614,258
Minority interest	----	----	----	----
Profit after tax per share - Basic (in €)	-0.1678	-0.1724	-0.0669	0.1574

INCOME STATEMENT (amounts in €)				
	CONSOLIDATED DATA		COMPANY DATA	
	1/1-31/12/2006	1/1-31/12/2005	1/10-31/12/2006	1/10-31/12/2005
Turnover	58,164,261	55,094,754	20,756,917	14,659,633
Gross profit/(Loss)	28,018,285	25,266,428	8,420,131	6,752,893
Profit/(Loss) before taxes, finance investment results and depreciations	1,108,670	793,078	1,031,556	8,258,974
Profit/(Loss) before taxes, finance and investment results	-7,781,940	-3,798,931	-4,335,675	7,132,566
Profit/(Loss) before taxes	-11,148,184	-6,584,453	-5,510,776	6,614,258
Less Taxes	----	----	----	----
<b>Profit/(Loss) after taxes from continuing operations (a)</b>	<b>-11,148,184</b>	<b>-6,584,453</b>	<b>-5,510,776</b>	<b>6,614,258</b>
<b>Profit/(Loss) after taxes from discontinued operations (b)</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>
<b>Profit/(Loss) after taxes (continuing and discontinued operations (a)+(b))</b>	<b>-11,148,184</b>	<b>-6,584,453</b>	<b>-5,510,776</b>	<b>6,614,258</b>
Shareholders of the parent	-11,148,184	-6,584,453	-5,510,776	6,614,258
Minority interest	----	----	----	----
Profit after tax per share - Basic (in €)	-0.1507	-0.1724	-0.0525	0.1574

STATEMENT OF CHANGES IN EQUITY (amounts in €)				
	CONSOLIDATED DATA		COMPANY DATA	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Equity at the beginning of the period (1.1.2006 and 1.1.2005 respectively)	33,285,935	23,926,136	33,285,935	23,926,136
Equity of subsidiaries	-13,953,838	----	-13,953,837	----
Equity of subsidiaries	-7,722,177	----	-7,722,177	----
Increase / (decrease) of share capital	31,884,508	16,237,556	31,124,508	16,237,556
Expenses for the share capital increase	-423,681	-293,304	-423,681	-293,304
Goodwill	29,722,599	----	29,722,599	----
Other changes	2,634,203	----	2,634,203	----
Minority interest	96,277	----	96,277	----
Loss after tax	-12,407,516	-6,584,453	-11,148,184	-6,584,453
<b>Equity at the end of the period (31.12.2006 and 31.12.2005 respectively)</b>	<b>63,116,310</b>	<b>33,285,935</b>	<b>68,607,340</b>	<b>33,285,935</b>

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Amount in €	3,761,057	1,959,426	3,761,057	1,959,426
Sales of goods and services	3,761,057	1,744,949	3,761,057	1,744,949
Purchases of goods and services	3,096,450	2,324,524	3,096,450	2,324,524
Receivables	3,096,450	767,831	3,096,450	767,831
Liabilities	1,963,000	1,835,000	1,963,000	1,835,000
Transactions and remuneration of executives and BoD members	1,963,000	1,237,667	1,963,000	1,237,667
Receivables from executives and BoD members	----	----	----	----
Liabilities to executives and BoD members	----	----	----	----

7. Investments in fixed assets for the period 01.01.31.12.2006 amounted to: Group: € 1,392,555 and Parent € 1,296,696.

8. The share capital of the parent company constitutes of 142,732,000 common registered shares with nominal value of € 0.68 each amounting to € 97,057,760. The shares of the company are traded in the medium and small capitalisation category of Athens Exchange. During the period 1.1.30.2006 share capital increased five times for a total amount of € 28,413,788, of which € 2,080,000 resulted from the conversion of 2,000,000 new shares (in accordance with the BoD decision on 31.12.2006), € 3,120,000 resulted from the conversion of 3,000,000 new shares (in accordance with the BoD decision on 11.2.2006), € 5,200,000 resulted from the conversion of 5,000,000 new shares (in accordance with the BoD decision on 30.6.2006), € 1,576,432 resulted from the conversion of 583,200 new shares (in accordance with the BoD decision on 31.20.2006), and € 16,437,356 resulted from the conversion of 1,560,000 shares to 15,805,150 shares (in accordance with the BoD decision on 31.08.2006). With the decision of the second repeat General Shareholders Meeting of LAN-NET COMMUNICATIONS SA on 24.12.2006 the share capital increased because of the absorption of the company TELEPASSPORT HELLAS SA based on the provisions of L.2166/1993, by the amount of € 13,067,215 and by the amount of € 992,511 by capitalisation of share premium account, that is to say a total amount of € 14,059,726 with the reduction of the nominal value of 16 share to € 0.68 each and with the issue of 62,926,198 new shares of nominal value of € 0.68 each.

9. The number of personnel of the group on 31.12.2006 and 31.12.2005 was 489 and 183, while the number of the parent was 293 and 183 respectively.

10. Turnover, purchases of goods and services, balance of receivables and liabilities, transactions, remuneration, receivables and liabilities to and from executives and BoD members of the Company and the Group with related parties according to IAS 24 are as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Amount in €	3,761,057	1,959,426	3,761,057	1,959,426
Sales of goods and services	3,761,057	1,744,949	3,761,057	1,744,949
Purchases of goods and services	3,096,450	2,324,524	3,096,450	2,324,524
Receivables	3,096,450	767,831	3,096,450	767,831
Liabilities	1,963,000	1,835,000	1,963,000	1,835,000
Transactions and remuneration of executives and BoD members	1,963,000	1,237,667	1,963,000	1,237,667
Receivables from executives and BoD members	----	----	----	----
Liabilities to executives and BoD members	----	----	----	----

7. Investments in fixed assets for the period 01.01.31.12.2006 amounted to: Group: € 1,392,555 and Parent € 1,296,696.

8. The share capital of the parent company constitutes of 142,732,000 common registered shares with nominal value of € 0.68 each amounting to € 97,057,760. The shares of the company are traded in the medium and small capitalisation category of Athens Exchange. During the period 1.1.30.2006 share capital increased five times for a total amount of € 28,413,788, of which € 2,080,000 resulted from the conversion of 2,000,000 new shares (in accordance with the BoD decision on 31.12.2006), € 3,120,000 resulted from the conversion of 3,000,000 new shares (in accordance with the BoD decision on 11.2.2006), € 5,200,000 resulted from the conversion of 5,000,000 new shares (in accordance with the BoD decision on 30.6.2006), € 1,576,432 resulted from the conversion of 583,200 new shares (in accordance with the BoD decision on 31.20.2006), and € 16,437,356 resulted from the conversion of 1,560,000 shares to 15,805,150 shares (in accordance with the BoD decision on 31.08.2006). With the decision of the second repeat General Shareholders Meeting of LAN-NET COMMUNICATIONS SA on 24.12.2006 the share capital increased because of the absorption of the company TELEPASSPORT HELLAS SA based on the provisions of L.2166/1993, by the amount of € 13,067,215 and by the amount of € 992,511 by capitalisation of share premium account, that is to say a total amount of € 14,059,726 with the reduction of the nominal value of 16 share to € 0.68 each and with the issue of 62,926,198 new shares of nominal value of € 0.68 each.

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	31/12/2006	31/12/2005	31/12/2006	31/12/2005
Amount in €	3,761,057	1,959,426	3,761,057	1,959,426
Sales of goods and services	3,761,057	1,744,949	3,761,057	1,744,949