LANNET COMMUNICATIONS S.A.

REG. No. S.A. 2640/06/B/86/03 - Location: Konstantinoupoleos str. 1 & Kifissou str., Peristeri Attikis -Internet address:www.lannet.gr

Data and information for the year January 1, 2006 to March 31, 2006 (amounts in Euro)

The data and information following below aim to present a general information for the financial position and the results of the company "LANNET COMMUNICATIONS S.A.". Therefore, we recommend the reader to go back at company´s internet address where the financial statements are setting up in accordance with the International Accounting Standards as well the certified accountant auditor´s report where it is demanded, before any reader will proceed to an investment or any other transaction with the Company.

Certified Accountant Auditor: Theodoros G. Zervos SOEL R.N. 17591
Auditing Company: BKR PROTYPOS ELEGKTIKI S.A.
Audit report: Not required

BALANCE SHEET as of March 31, 2006

	31/3/2006	31/12/2005
ASSETS		
Tangible assets	28.746.932	29.727.461
Intangible assets	3.569.124	3.569.124
Inventories	156.085	228.096
Trade Debtors	22.763.685	21.169.905
Other assets	7.940.379	9.162.671
Cash and cash equivalents	3.638.890	7.225.045
TOTAL ASSETS	**66.815.095**	**71.082.302**
LIABILITIES		
Long-term liabilities	14.333.944	19.533.944
Other long-term liabilities	209.902	209.902
Bank borrowings	7.877.663	8.492.219
Other current liabilities	9.073.119	9.560.302
Total liabilities (a)	**31.494.628**	**37.796.367**
Retained Earnings (b)	**35.320.467**	**33.285.935**
TOTAL LIABILITIES (a+b)	**66.815.095**	**71.082.302**

PROFIT AND LOSS FOR THE PERIOD 1/1-31/03/2006

	1/1 - 31/3/2006	1/1 - 31/3/2005
Sales	11.477.271	13.278.060
Gross profit /(Loss)	4.864.068	6.800.403
Profit /(Loss) before taxes, finance and investment results	-3.003.882	-3.449.831
Profit /(Loss) before taxes, finance and investment results and depreciations	-1.841.815	-2.300.576
Profit /(Loss) before taxes	**-3.133.128**	**-3.882.084**
Less Taxes	-	-
Profit /(Loss) after taxes	-3.133.128	-3.882.084
Allocated at:		
Company´s shareholders	-3.133.128	-3.882.084

RETAINED EARNINGS CHANGE OF THE PERIOD 1/1-31/03/2006

	31/3/2006	31/12/2005
Retained earnings at the beginning of period	33.285.935	23.926.136
Increase of share capital	5.167.660	-
Loss /(Profit) of period, after taxes	-3.133.128	-3.882.084
Retained earnings at the end of period	**35.320.467**	**20.044.052**

Peristeri, February 8, 2006

PRESIDENT OF BOARD OF DIRECTORS	THE DIRECTOR	FINANCIAL MANAGER	ACCOUNTING MANAGER
THOMAS CH. LANARAS	VASILIOS N. TSILIBARIS	GEORGE CH. KARAPLIS	STAMATIS K. TSARDAKAS
I.C. X.085877/03	I.C. N.055127/84	I.C. P.551771/97	I.C. I. 253446/77
			LICENSE G.C.E. A'CLASS 20046

CASH FLOW STATEMENT as of March 31, 2006

	31/3/2006	31/3/2005
Cash flows from operating activities		
Loss before taxes	-3.133.128	-3.882.084
Plus /Less adjustments:		
Depreciations	1.162.067	1.149.255
Debit interest and similar expenses	-127.083	56.792
Operating loss before working capital changes	551.448	432.253
Decrease of inventories	-1.546.696	-2.243.784
Decrease of receivables	72.011	99.244
Increase of current liabilities	-1.593.780	2.352.034
(except from banks)	-487.183	1.822.966
Cash generated from operations	-2.008.952	4.274.244
Debit interest and similar expenses paid	-551.448	-432.253
Profit from security sales	97.933	0
Total cash flows from / used in operating expenses (a)	**-4.009.163**	**1.598.207**
Cash flows from investing activities		
Purchase of property, plan and equipment and intangible fixed assets	-185.711	-190.946
Receipts of fixed assets' sales	4.173	0
Interest received	-6.537	-56.792
Decrease /(increase) long-term receivables	1.222.291	912.317
Total cash flows from / used in investing expenses (b)	**1.034.216**	**664.579**
Cash flows from financing activities		
Receipts of increase of share capital	5.200.000	-
Proceeds of borrowings	-	83.664
Repayments on borrowings	-5.811.209	-624.368
Total cash flows from / used in financing expenses (c)	**-611.209**	**-540.704**
of period (a) + (b) + (c)	**-3.586.156**	**1.722.082**
Cash and cash equivalents at the beginning of year	7.225.046	2.850.171
Cash and cash equivalents at the end of the year	**3.638.890**	**4.572.253**

ADDITIONAL DATA AND INFORMATION

1. Basic Accounting Principles have observed at the balance sheet as of 31.12.2005.
2. The company has been audited from tax authorities up to the year 2001, and the absorbed company LANTEC COMMUNICATIONS S.A. up to the year 2002.
3. The company, for the security of its bank loans, has made pledges on its fixed assets totalling to € 11.271.956 and to shares owned by the company value of € 1.092.000
4. Doubtful debts receivables exist of a total amount€ 4.400.000 approximately, for which the company has formed a provision on 31/03/2006 amounted to€ 3.780.000 as well as for the other doubtful debt receivables the company believes that outcome will not have a serious effect on financial statements.
5. The average of the personnel on 31.03.2006 is 183 persons.
6. Turnover is analyzed per category of economic activity (STACOD 03) for period 01.01.2006 - 31.03.2006 as following:

Code: 642.0	Telecommunications	11.308.500
Code: 518.6	Wholesale trade of other electronical accessories and equipment	114.423
Code: 726.0	Other activities similar with the information	54.348
	TOTAL	**11.477.271**

7. Investments of fixed assets for the period 01.01-31.03.2006 amounted to€ 185.771.
8. No significant contigent liabilities exist.
9. "LANNET COMMUNICATIONS S.A." shares are listed in Athens Stock Exchange with code LANNET and every share has the right of one vote. The total amount of capitalization of the company dated at March 31, 2006 arose to amount of € 78.179.399
10. During the period 1.1 - 31.3.2006 two increases of Share Capital were of total amount€5.200.000, from which amount of € 2.080.000 emanated from the transformation of 2000 bonds in 2.000.000 new shares (according to the decision of the 31/1/2006 meeting of the Board of Directors of the Company) and amount of€ 3.120.000 emanated from the transformation of 3.000 bonds into 3.000.000 new shares (according to the decision of the 11/2/2006 meeting of the Board of Directors of the Company). After the above increases, the share capital of the company at 31.03.2006 was an amount of € 59.784.246 divided to €57.484.852 shares of nominal value 1,04 each.

1. AUDIT REPORT

To the Shareholders of the Company "LANNET COMMUNICATIONS S.A."

We have audited the accompanying financial statements which are quoted on pages 4 to 7, of company "LANNET COMMUNICATIONS S.A.", as of and for the year ended 31 December 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whet financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.Without, expressing any reservation regarding the results of our review, we bring to your attention to the Note 6.21 which quoted to the notes of the financial statements, where it is mentioned that the tax returns of the company for the financial years 2002 up to the year 2005 and the absorbed company 'LANTEC COMMUNICATIONS S.A.' for the year 2003 have not been audited b

In our opinion, the aforementioned financial statements give a true and fair view of the financial position of the Company as of 31 December 2005 and of the results of its operations as well as its cash flows and the changes in shareholders' equity of the Company for the year then ended, in accordance with the International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Athens, February 8, 2006
The Certified Public Accountants

Theodoros G. Zervos
Soel R.N. 17591
BKR PROTYPOS ELEGKTIKI S.A.
Certified Auditors - Accountants - Business Consultants
An Independent Member of BKR International