

LAN-NET TELECOMMUNICATIONS S.A.

S.A. Reg No. 2640/06/B/86/03

FINANCIAL STATEMENTS AS OF SEPTEMBER 30th 2004 (JANUARY 1st - SEPTEMBER 30th 2004)

AMOUNTS IN €

ASSETS			CAPITAL & LIABILITIES	
	09/30/2004	09/30/2003	09/30/2004	09/30/2003
Amortizable expenses (net carrying amount)	11.878.741,93	5.108.930,73	Paid-up share capital	38.378.797,60
Fixed Assets	37.712.614,23	27.094.374,64	Equity and Reserves	7.721.464,95
Less: Depreciation	-7.383.952,09	-3.264.759,46	Loss brought forward	-2.812.432,56
Participations and other Long Term Assets	484.963,10	99.854,27	Results of the current period	-10.967.898,35
Inventories	2.233.224,64	1.050.015,76	Provisions	295.741,25
Trade Debtors	30.236.333,54	20.122.654,35	Long Term Liabilities	12.500.000,00
Other Receivables	4.110.158,43	17.158.299,90	Short Term Liabilities	39.314.433,35
Marketable securities	3.365.600,28	202.291,65	Accruals & Deferred Income	1.201.873,38
Cash and cash equivalents	2.505.627,22	2.010.281,51		
Prepayments & Accrued income	488.668,34	2.725.508,90		
TOTAL ASSETS	85.631.979,62	72.307.452,25	TOTAL LIABILITIES AND EQUITY	85.631.979,62
DEBIT MEMO ACCOUNTS	2.972.254,99	58.831,99	CREDIT MEMO ACCOUNTS	58.831,99

NOTES:

- 1) Upon decision of the Extraordinary Shareholder's General Meeting as of 11/17/2003, the company absorbed LANTEC COMMUNICATIONS S.A., according to the provisions of articles 69-77 of Law 2190/20 and articles 1-5 of Law 2166/93. The aforementioned merger was approved by decision no. K2-8928/1-12-2003 of the Ministry of Development. Hence the company's share capital increased by € 8,339,757.60 through the issue of 25,168,690 nominal shares and simultaneous decrease in the shares' nominal value from € 2.56 to € 1.04. The new shares started trading on 12/08/2003.
- 2) Following the decision of the Shareholder's Ordinary General Meeting as of 06/20/2003, the assets of the industrial sector were transferred on 09/04/2003. As of this date the company operates as a telecommunication company. The company has published an informative bulletin regarding the change of activity, within the framework of the decision 94/13-2-2003 of the ASE BoD.
- 3) The amounts of the current period are not comparable with the respective amounts of the previous period due to the merger vis a vis the absorption of "LAN-NET S.A." (relative note 1 above) and the transfer of assets of industrial sector (see note 2 above).
- 4) Investments in Fixed Assets for the period 1/1-9/30/2004 amounted to € 3.904.890.22.
- 5) Average employed personnel for the period 1/1-9/30/2004 was 214 individuals.
- 6) For securing bank loans, the company has pledged over its fixed equipments of € 17,550,574.00 and over shares owned by the company of € 3.3365.600,28.
- 7) The company for the current period depreciate tangible assets on the contrary to the three previous fiscal years, based on article 1 of P.D. 100/1998 and the tax circular 1051542/MIN. of ECON.POL1122/1998, regarding new corporations did not depreciate the tangible assets.
- 8) The Company (LAN-NET COMMUNICATIONS SA) has been audited until fiscal year 2001, while the absorbed company LANTEC COMMUNICATIONS S.A. has been audited until 2002.
- 9) There are disputed cases of € 4.6 million that company believes that will receive.
- 10) Turnover analysis by code of activity (STAKOD-91) is the following:

	1/1-9/30/2004	1/1-9/30/2003
Code.: 642.0 Telecommunications	50.656.591,12	35.667.777,95
Code.: 518.6 Wholesale trade of other electric items & appliances	807.811,86	713.139,12
Code.: 726.0 Other activities related to information systems	2.003.604,67	0,00
Code.: 173.0 Finishing of textile products	0,00	5.728.379,18
	53.468.007,65	42.109.296,25

PROFIT AND LOSS ACCOUNT for the Period January 1- September 30th 2004

	09/30/2004	09/30/2003
REVENUES		
Net turnover (sales)	53.468.007,65	42.109.296,25
Less: Cost of sales	28.556.536,77	22.673.004,32
GROSS OPERATING RESULTS	24.911.470,88	19.436.291,93
Plus: Other Operating Income	2.700,00	51.609,04
Less: Administrative Expenses	4.912.522,19	2.976.355,23
Research & Development Expenses	280.155,05	245.434,84
Distribution expenses	29.243.512,77	34.436.190,01
	14.804.606,61	18.026.396,68
SUB-TOTAL OPERATING RESULTS	-9.522.019,13	1.461.504,29
Financial Results(+ -)	-1.865.378,06	-896.513,60
TOTAL NET OPERATING RESULTS	-11.387.397,19	564.990,69
Plus: Non-operating Income-Profit	551.978,27	10.577.212,09
Less: Non-operating Expenses-Loss	132.479,43	469.162,88
TOTAL RESULTS	-10.967.898,35	10.673.039,90
Total Depreciation	6.028.350,78	1.623.422,97
Less: Charged to the operating cost	6.028.350,78	0,00
TOTAL NET RESULTS BEFORE TAXES	-10.967.898,35	10.673.039,90

THE CHAIRMAN OF THE BOARD
OF DIRECTORS

THOMAS CH. LANARAS
ID No X 085877/03

A MEMBER OF THE BOARD
OF DIRECTORS

ALEXANDRA KALPAXOGLU-KORESSI
ID No S 687275/99

THE FINANCIAL MANAGER

HARILAOS ROGAKOS
ID No R 053710/93

THE CHIEF
ACCOUNTANT

STAMATIS K. TSARDAKAS
ID No I 253448/77