

**LANNET TELECOMMUNICATIONS 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 of period January 1, 2005 to March 31, 2005 (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 "LAN-NET TELECOMMUNICATIONS S.A.". Therefore, we recommend the reader to go back at company's internet address where the interim financial statements are setting up in accordance with the International Accounting Standards as well the certified accountant auditor's review report where it is demanded, before any reader will proceed to an investment or any other transaction with the Company.

Certified Accountant Auditor: Panagiotis Vr. Damilakos SOEL R.N. 10431

Auditing Company: BKR PROTYPOS ELEGKTIKI S.A.

Review report: It is not demanded

<b>BALANCE SHEET as of March 31, 2005</b>			<b>CASH FLOW STATEMENT</b>		
	<u>31/3/2005</u>	<u>31/12/2004</u>		<u>31/3/2005</u>	<u>31/12/2004</u>
<b>ASSETS</b>			<b>Cash flows from operating activities</b>		
Tangible assets	31.867.897	32.720.044	Loss before taxes	-3.882.084	-1.825.952
Intangible assets	3.420.124	3.569.124	Plus /Less adjustments:		
Inventories	1.996.334	2.095.578	Depreciations	1.149.255	1.150.179
Trade Debtors	24.041.142	24.794.893	Results from investing activities	56.792	149.079
Other assets	7.735.777	10.246.377	Debit interest and similar expenses	432.253	469.988
Cash and cash equivalents	4.572.253	2.850.171	Operating loss before working capital changes	-2.243.784	-56.706
<b>TOTAL ASSETS</b>	<b>73.633.527</b>	<b>76.276.187</b>	Decrease of inventories	99.244	41.753
<b>LIABILITIES</b>			Decrease of receivables	2.352.034	6.128.656
Long-term liabilities	16.918.675	13.839.433	Increase of current liabilities		
Other long-term liabilities	209.902	209.902	(except from banks)	1.822.966	-2.380.951
Bank borrowings	8.163.187	11.857.121	Cash generated from operations	4.274.244	3.789.458
Other current liabilities	28.297.711	26.443.595	Debit interest and similar expenses paid	-432.253	-469.988
<b>Total liabilities (a)</b>	<b>53.589.475</b>	<b>52.350.051</b>	<b>Total cash flows from / used in operating expenses (a)</b>	<b>1.598.207</b>	<b>3.262.764</b>
<b>Retained Earnings (b)</b>	<b>20.044.052</b>	<b>23.926.136</b>	<b>Cash flows from investing activities</b>		
<b>TOTAL LIABILITIES (a+b)</b>	<b>73.633.527</b>	<b>76.276.187</b>	Purchase of property, plan and equipment and intangible fixed assets	-190.946	-1.781.713
<b>PROFIT AND LOSS OF PERIOD 1/1-31/3/2005</b>			Interest received	-56.792	-149.079
	<u>31/3/2005</u>	<u>31/12/2004</u>	Decrease /(increase) long-term receivables	912.317	-3.248.655
Sales	13.278.060	16.390.452	<b>Total cash flows from / used in investing expenses (b)</b>	<b>664.579</b>	<b>-5.179.447</b>
Gross profit /(Loss)	6.800.403	8.526.692	<b>Cash flows from financing activities</b>		
Profit /(Loss) before taxes, finance and investment results	-3.506.623	-1.505.042	Proceeds of borrowings	83.664	92.055
Profit /(Loss) before taxes, finance and investment results and depreciations	-2.357.368	-354.863	Repayments on borrowings	-624.368	-581.310
Profit /(Loss) before taxes	-3.882.084	-1.825.952	<b>Total cash flows from / used in financing expenses (c)</b>	<b>-540.704</b>	<b>-489.255</b>
Less Taxes			<b>of period (a) + (b) + (c)</b>	<b>1.722.082</b>	<b>-2.405.938</b>
<b>Profit /(Loss) after taxes</b>	<b>-3.882.084</b>	<b>-1.825.952</b>	Cash and cash equivalents at the beginning of period	2.850.171	5.702.400
Allocated at:			<b>Cash and cash equivalents at the end of period</b>	<b>4.572.253</b>	<b>3.296.462</b>
Company's shareholders	-3.882.084	-1.825.952	<b>ADDITIONAL DATA AND INFORMATION</b>		
<b>RETAINED EARNINGS CHANGE OF PERIOD 1/1-31/3/2005</b>			1. Basic Accounting Principles have observed at the balance sheet as of 31.12.2004.		
	<u>31/3/2005</u>	<u>31/12/2004</u>	2. The company has been audited from tax authorities up to the year 2001, and the absorbed company LANTEK TELECOMMUNICATIONS S.A. up to the year 2002.		
Retained earnings at the beginning of period	23.926.136	39.403.595	3. The company, for the security of its bank loans, has made pledges on its fixed assets totalling to € 17.750.574 and to shares owned by the company value of € 980.000		
Loss /(Profit) of period, after taxes	-3.882.084	-1.825.952	4. Doubtful debts receivables exist of a total amount € 4.400.000 approximately, for which company believes that their outcome will not have a serious effect on financial statements.		
<b>Retained earnings at the end of period</b>	<b>20.044.052</b>	<b>37.577.643</b>	5. The average of the occupied personnel on 31.03.2005 is 201 persons.		
<b>ADJUSTMENT TABLE OF RETAINED EARNINGS AT THE BEGINNING PERIOD (1/1/2005 AND 1/1/2004 RELATIVELY) BETWEEN GREEK ACCOUNTING STANDARDS (G.A.S.) AND INTERNATIONAL ACCOUNTING STANDARDS (I.A.S.)</b>			6. Turnover is analyzed per category of economic activity (STACOD 03) for period 01.01.2005 - 31.03.2005 as following:		
	<u>1/1/2005</u>	<u>1/1/2004</u>	Code: 642.0 Telecommunications	12.640.458	
Retained earnings at the beginning of period (1/1/2005 & 1/1/2004 relatively) according to G.A.S.	29.855.529	43.287.830	Code: 518.6 Wholesale trade of other electrical accessories and equipment	115.246	
Offset of retirement benefits provision	131.887	125.308	Code: 726.0 Other activities similar with the information	522.356	
Effect from tangible fixed assets' valuation	-982.971	-74.904	<b>TOTAL</b>	<b>13.278.060</b>	
Effect from fixed assets capitalization acquired through leasing	-295.952	-1.423.184	7. Investments of fixed assets for the period 01.01-31.03.2005 amounted to € 190.946		
Write-off of other formation expenses	-3.282.357	-1.011.455	8. No significant contingent liabilities exist.		
Recognition of doubtful debt provisions from	-1.500.000	-1.500.000	9. "LAN-NET TELECOMMUNICATIONS S.A." shares are listed in A.S.E. with code LAN-NET and every share has the right of one vote. The total amount of capitalization of the company dated at 31st March 2005 arose to € 43.914.200.		
Deferred tax asset from deductible tax losses	0,00	0,00			
<b>Retained earnings at the end of period (1/1/2005 &amp; 1/1/2004 relatively) reformed according to I.A.S.</b>	<b>23.926.136</b>	<b>39.403.595</b>			
<b>Peristeri, June 27, 2005</b>					
PRESIDENT OF BOARD OF DIRECTORS	AUTHORIZED CONSULTANT	FINANCIAL MANAGER	ACCOUNTING MANAGER		
THOMAS CH. LANARAS I.C. X.085877/03	Per g. Dahl PASS.N. 34522534 from SWEDEN	GEORGE CH. KARAPLIS I.C. P.551771/97	STAMATIS K. TSARDAKAS I.C. I. 253446/77 LICENSE G.C.E. A'CLASS 20046		