

COSMOTE GROUP FIRST HALF 2006

FINANCIAL RESULTS

GROWTH DYNAMICS WITH STRONG FINANCIAL PERFORMANCE

Revenues € 1,037.1 mil (+31%)

EBITDA € 394.6 mil (+14%) - EBITDA margin 38%

Net Income €156.7 mil (-1%)

Athens, August 24th, 2006

1. OVERVIEW – CONSOLIDATED PERFORMANCE

COSMOTE MOBILE TELECOMMUNICATIONS S.A., the mobile operator with the widest presence in South East Europe, announces consolidated financial results for the six months ended June 30th, 2006, under IFRS¹. COSMOTE operates in five countries, namely, Greece, Albania, Bulgaria, FYROM and Romania, through COSMOTE Greece, AMC, GLOBUL, COSMOFON and COSMOTE Romania respectively.

During this period, COSMOTE continued its strong performance throughout its presence, extracting value both from the maturing Greek market as well as from the other SE Europe markets. The positive trend, already evident in the first quarter of the year continued strongly, led by increasing usage in Greece and improving market position in the international operations. These developments vindicate the management's view that core mobile service growth in Greece has further potential, while the markets in Albania, Bulgaria, FYROM and Romania offer significant growth opportunities.

Continuing on the positive trends set in Q1, during the first half of the year all markets demonstrated strong financial performance. Despite the heavy investments in the network rollout and in establishing the brand and gaining critical mass in Romania, the Group has demonstrated 31% turnover growth and 14% EBITDA growth.

SUMMARY CONSOLIDATED RESULTS FOR THE 1ST HALF OF 2006 (1.1.2006–30.6.2006)

IFRS, Reviewed (Amounts in mil. €)	COSMOTE Greece	AMC	GLOBUL	COSMOFON	COSMOTE Romania	Consolidated		
						H1-06	H1-05	Δ
Revenues	782.4	69.3	156.2	23.7	14.0	1,037.1	791.2	31.1%
EBITDA	324.9	40.4	57.9	3.2	-30.5	394.6	345.7	14.1%
EBITDA margin	41.5%	58.3%	37.1%	13.7%	n/a	38.1%	43.7%	
Net Income	159.7	21.7	15.2	-5.2	-44.9	156.7	158.6	-1.2%
Net Inc. margin	20.4%	31.3%	9.7%	n/a	n/a	15.1%	20.0%	

¹ Reviewed by auditors

**SUMMARY CONSOLIDATED RESULTS FOR THE 2nd QUARTER OF 2006
(1.4.2006–30.6.2006)**

IFRS, Reviewed (Amounts in mil. €)	COSMOTE Greece	AMC	GLOBUL	COSMOFON	COSMOTE Romania	Consolidated		
						Q2-06	Q2-05	Δ
Revenues	406.8	34.9	82.3	12.8	7.9	540.7	410.9	31.6%
EBITDA	170.5	20.1	30.5	1.9	-18.2	203.6	179.4	13.5%
EBITDA margin	41.9%	57.6%	37.0%	14.5%	n/a	37.7%	43.7%	
Net Income	85.2	10.9	7.8	-2.2	-25.8	81.5	83.9	-2.9%
Net Inc. margin	21.0%	31.3%	9.4%	n/a	n/a	15.1%	20.4%	

Group operating revenues for H1 2006 amounted to € 1,037.1 million, up by 31.1% y-o-y. Turnover growth was driven by strong performance in all markets of operation, with international assets accounting for c.25% of revenues. **COSMOTE Greece** telecommunications revenues increased by 8.7%, in comparison to the respective period of 2005. This was primarily driven by traffic growth through increasing usage by contract subscribers. Notably, excluding interconnection, core telecom service revenues in Greece increased by 10%, a rate which indicates that COSMOTE continued exploiting the market's upside potential. **AMC** sustained its performance, with revenues growing 8.1% in the first half and 8.7% in the second quarter, while maintaining profitability margins at c. 58% throughout H1. Despite a highly competitive environment, **GLOBUL** continued on its strong upward path, with revenues rising 33% and EBITDA margin reaching 37% in H1 2006, up from 32.4% in H1 2005. **COSMOFON** in FYROM is demonstrating steady improvement with revenues increased by 42% and EBITDA margin reaching 13.7% during H1. Finally, **COSMOTE Romania** is proving that a third operator can make significant inroads in the market, as it is gaining a significant share of new subscribers. COSMOTE Romania is investing heavily this year on expanding its network, as well as in establishing its brand name and gaining a critical subscriber base.

Consolidated EBITDA increased by 14.1% y-o-y with all operations showing positive growth, despite the consolidation of COSMOTE Romania, which, being at its early development phase, reported a negative figure. Group EBITDA margin stood at 38.1%, compared to 43.7% reported one year ago, due to the consolidation of new growth assets and the drop-out of the management fees in relation to GLOBUL & COSMOFON. Furthermore, **Group Net Income** in H1-06 declined marginally to € 156.7 million (-1.2%), due to increased depreciation charges, stemming from the investments in the international operations, higher financial expenses stemming from the financing for the acquisition of GLOBUL, COSMOFON and COSMOTE Romania, and the non-recognition of the deferred "tax asset" built in the operations of COSMOTE Romania and COSMOFON.



The GERMANOS Transaction

Following the agreement announced in May the acquisition of the 42% stake of Germanos S.A. currently owned by Mr Panos Germanos and other shareholders has now been approved by the competent authorities of Greece, Bulgaria, FYROM and Ukraine. Following these approvals, the acquisition remains subject only to the approval of the Romanian competition authority. As already announced, the acquisition will be performed by an SPV which will subsequently launch a public tender offer for the acquisition of the remaining shares of GERMANOS S.A. It is noted that COSMOTE already owns 20.75% of GERMANOS S.A. outstanding shares. The transaction is expected to be completed within Q4. As already disclosed, the net cost of the transaction, following the disposals of the non-core assets and the reinvestment of Mr. Panos Germanos in the company is expected to be around Euro 1.3bn, or around 1.2bn taking into consideration the net cash position of the company.

The acquisition of GERMANOS S.A. will generate significant new dynamics for the Group in four out of the five countries it operates. GERMANOS S.A. can have a significant impact on subscriber dynamics, churn, subscriber acquisition & retention costs, as well as generate several other secondary synergies. The impact is expected to be faster revenue growth across the four markets at both the COSMOTE parent and consolidated levels and a significant margin improvement in the telecommunication services business. However there will be some dilution in the overall profitability margins of the Group due to the integration of positive but low margin businesses like wholesaling of SIM & scratch cards, handset and accessories sales etc. The transaction is expected to be accretive from the first full year of integration, and increasingly so in future years. GERMANOS S.A. is one of the most successful brands and telecommunications retailers in S.E. Europe with a total network of 547 retail outlets in Greece, Bulgaria, Romania and FYROM. This acquisition is of major strategic importance for COSMOTE, adding the most efficient retail networks in four out of the five countries it operates and capturing an increasing stake of COSMOTE's operations' value chain while expanding its retail presence and further growing its business.



2. OPERATIONS' REVIEW

2.1 GREECE – COSMOTE: VOICE REVENUE DRIVING GROWTH

COSMOTE in Greece demonstrated the significant potential for continuing expansion through standard mobile voice telephony revenues growth. COSMOTE strengthened its market leading position by adding 237,983 net new subscribers in H1 06, of which 132,153 in Q2, despite a competitive landscape. At the same time, and despite the reduction of interconnection rates since 1 June 2006, ARPU increased to 29.7 Euros in H1 driving revenue growth.

COSMOTE Greece Summary Financial Results for the 3 & 6 months ended June 30, 2006 & 2005

(Amounts in mil. €, Reviewed)	Q2-06	Q2-05	Δ	H1-06	H1-05	Δ
Revenues	406.8	379.7	7.2%	782.4	729.3	7.3%
EBITDA	170.5	160.3	6.3%	324.9	307.8	5.5%
EBITDA margin	41.9%	42.2%	-0.3pp	41.5%	42.2%	-0.7pp
Net Income	85.2	81.1	5.1%	159.7	148.5	7.5%
Net Income margin	21.0%	21.4%	-0.4pp	20.4%	20.4%	

Revenues

Revenues in Greece amounted to € 782.4 million, posting a 7.3% y-o-y increase. The growth in Greek core telecom service revenues (monthly fees, airtime, SMS & data and roaming revenue) continued, up by 10% demonstrating the significant impact of higher usage.

The primary growth driver continues to be usage by contract subscribers, mainly led by bundled packages, reflected in the 25.3% increase in monthly fees for H1.

Traffic volumes during the first half of 2006 increased by 15.2% y-o-y, as a result of higher usage, mainly by post paid customers. COSMOTE, through targeted strategies has been steadily expanding outgoing traffic and reducing the dependency on fixed to mobile interconnection revenues, which currently account for less than 9% of total compared to 10% in 2005, while at the same time leading usage to higher levels, through a managed process.

Data revenues (which include SMS, MMS, i-mode® and other data revenues from Value Added Services) represent a steady 11%² of total domestic telecommunication revenues.

Visitor roaming revenues (wholesale) in H1 2006, accounted for 1.8% of total Greek revenues while COSMOTE's customers generated roaming revenues (retail) of approximately 2.6% of domestic sales. The visitor roaming revenues for H1 06 remained flat as a percentage of revenues on y-o-y basis. At the end of H1-06 the Company had signed 398 roaming agreements in 185 countries³. In addition, the Company had signed 102 GPRS roaming agreements in 65 countries.

EBITDA

EBITDA in Greece increased by 5.5%, reaching € 324.9 million while the EBITDA margin reached 41.5%. The small decline in the margin (down by 0.7pp) in H1

² Data revenues amount to € 82.6 mil (of which € 62.3 mil from SMS)

³ Prepaid roaming is offered in 61 countries (through agreements with 61 operators)



compared to H1 2005 is due to the reduction of management fees in relation to GLOBUL and COSMOFON by c. €5.2 million

Net Income

COSMOTE Greece **Net Earnings** amounted to € 160 million, a 7.5% increase, despite nearly 19 million higher financial charges due to the debt incurred for the acquisition of GLOBUL, COSMOFON and COSMOTE Romania. Moreover, in H1 2005, COSMOTE S.A. had received a 10.5 million Euro dividend from AMC, not recurring this year. Compared to 2005, COSMOTE Greece net income has benefited by c. 5 million Euro due to changes in the depreciation policies since Q4 2005. Taking account of the AMC dividend and the depreciation rate changes, net income growth in H1 would have reached c. 12% y-o-y. The Net Income margin reached 20.4%, positively affected by the reduction of the corporate tax rate.

	Q1-05	H1-05	9m-05	FY-05	Q1-06	H1-06
AMOU, blended (min)	130	135	139	138	140	146
ARPU, blended (€)	28.6	29.2	30.1	29.7	29.0	29.7
Total Customer base	4,230,948	4,379,517	4,508,793	4,644,440	4,750,270	4,882,423

AMOU

Blended AMOU⁴ during the period under review reached 146 minutes. The positive trend evident for a significant period of time, mainly driven by post paid AMOU, continued in H1-06, underlining the fact that voice usage still represents a key growth driver in the Greek mobile market.

ARPU

As a result of rising AMOU, COSMOTE **blended ARPU⁵** for the 6 months of 2006, at €29.7, increased marginally by 1.7% compared to a year ago.

During the first half of 2006 COSMOTE added 48,897 (27,385 in Q2 06) net new contract subscribers and 189,086 (104,768 in Q2 06) net new prepaid subscribers in Greece bringing the total number of customers at the end of June 2006 to 4.9 million, 11% higher than a year ago, while it held an estimated market share of 37.4% reaffirming its leading position in the Greek mobile market. The total contract customers at 30 June 2006 reached 1,773.487, while prepaid customers during the same period amounted to 3.108.936. COSMOTE's annualized churn rate for H1 06 was 22%.

The Greek market, despite its high penetration levels, still offers room for growth, driven mainly by increasing usage trends. COSMOTE is taking several new initiatives to capture this opportunity and continues exploiting this growth potential, while at the same time, strengthening its brand image as the leading operator in Greece. Acquiring Germanos and developing its market positioning and expertise will accelerate this effort, in a market where direct customer contact is of paramount importance to expand and effectively manage the customer base.

FROG Mobile

In July 2006, COSMOTE launched a new "no frills" prepaid brand, called **"frog mobile"**. **"frog mobile"** is targeted at customers interested in the basic use of mobile telephony services, at the most competitive rates. Based on COSMOTE's advanced telecommunications network, frog mobile offers population coverage of 99.6%, throughout Greece. The new product allows calls to all national fixed and mobile destinations, text messaging and MMS, plus competitive rates for international calls that

⁴ AMOU: Average monthly minutes per user

⁵ ARPU: Average monthly revenue per user



make it an appealing proposal for a wide range of mobile users, offering the most competitive rates in these market segments. Early data suggest a very positive market reception.

HSDPA Launch

In June 2006, COSMOTE was the first operator in Greece and among the first in Europe, to upgrade its 3G network with the HSDPA mobile broadband technology that supports the provision of data services at very fast rates. COSMOTE plans to upgrade its network with newer editions of HSDPA technology while, in the next stage, along with further HSDPA technology upgrades, the addition of HSUPA (High Speed Uplink Packet Access) technology is expected to support even faster uplink data transfer.

The Regulatory Environment

During the past few months the Greek Regulator (EETT) and the European Commission have brought forward important regulatory initiatives. The key issues are interconnection rates in Greece and roaming rates across the EU. Also the Greek Government has proposed an increase in the levy imposed on consumers' mobile telephony bills.

1. Interconnection

In June 2006, COSMOTE reduced interconnection rates to its network to 0.12 Euros per minute from 0.145 Euros previously. Similar reductions have been effected by all other operators. The impact of this cut in Q2 2006, for the one month it has been effective was approximately 0.5 million Euro in EBITDA and c. 5.0 million Euro in revenues, assuming no elasticity. Despite this, COSMOTE has managed to sustain an EBITDA margin of 42% in the second quarter of 2006 and over 8% telecommunications services revenue growth. Moreover, in July 2006 EETT issued a decision determining the glide path for reductions in the interconnection rates of all the Greek mobile operators, based on its LRIC model for each one. According to this decision COSMOTE's termination rates over the next ten months (to June 2007), will come down to 0.1067 Euros per minute, including a limited interim cut in early 2007.

The share of F2M interconnection revenues in the overall COSMOTE Greece revenues is declining. In particular, F2M interconnection revenues in H106 account for just under 9% of total Greek revenues compared to 10% in 2005 and have been declining steadily over the past few years. Moreover, historical data suggest that interconnection cuts are recovered in the M2M segment through increased traffic.

2. EU Roaming

The European Commission has published a draft Regulation intended to reduce roaming charges within the EU. Depending on the final form of any Regulation, COSMOTE's wholesale and retail roaming charges would be substantially reduced, while at the same time its roaming costs would drop proportionately more, as COSMOTE's wholesale roaming tariffs are significantly below the European average. COSMOTE generates approximately 2.5% of its revenues, on an annualised basis, from visitor (wholesale) roaming, while its wholesale roaming costs and outgoing (retail) revenues are of similar orders of magnitude. In view of the above, the overall EBITDA impact of the regulation on an annual basis is expected to be limited by the relatively low share of roaming in total revenues, and a likely elasticity effect, as roaming traffic should increase in response to lower charges.

3. Mobile Telephony levy



In August, the Greek Government proposed to increase the levy on the bills of mobile contract customers. Greek mobile operators have voiced their concerns over this levy increase through the mobile operators' Committee of the Hellenic Industrial Federation. The levy is imposed separately on customer bills and as such there is no direct impact on the Company's accounts. The absolute increase of the levy will be limited for low-spending subscribers, but more significant for high-spending ones. The levy does not apply to pre-paid customers. Likely elasticity patterns and commercial initiatives will be mitigating factors in relation to the eventual outcome for the Company.

Overall, in a challenging regulatory environment COSMOTE is pursuing strategies to increasingly rely on traffic and revenues generated by own customers and therefore limit the impact of any regulatory measure, now and in the future.

2.2 ALBANIA - AMC: STEADY GROWTH

In Albania, AMC demonstrated another quarter of solid performance, leading to 8.1% revenue growth for H1, at € 69.3 million. AMC expanded its market lead while sustaining its profitability levels. EBITDA margin reached 58.3% during H1. During the first six months of 2006, AMC contributed approximately 7% to consolidated revenues and 10% to Group EBITDA.

Summary Financial Results for AMC for the 3 & 6 months ended June 30, 2006 & 2005

(Amounts in mil. €, Reviewed)	Q2-06	Q2-05	Δ	H1-06	H1-05	Δ
Revenues	34.9	32.1	8.7%	69.3	64.1	8.1%
EBITDA	20.1	19.3	4.3%	40.4	38.2	5.7%
EBITDA margin	57.6%	60.1%	-2.5pp	58.3%	59.6%	-1.3pp
Net Income	10.9	10.1	7.7%	21.7	20.0	8.7%
Net Income margin	31.3%	31.6%	-0.3pp	31.3%	31.2%	0.1pp

Subscribers increased by 16%, with 67,970 net new additions during the first half, of which 21,942 in Q2, reaching a total of 849,466 subscribers (mostly prepaid) and AMC marginally expanding its lead in the market reaching 52% market share. In turn, **blended AMOU** for the period reached 61 minutes, compared to 65 minutes a year ago, while **blended ARPU** for the same period stood at €15.

AMC's **EBITDA** grew by 5.7% in H1-06, while **net income** increased by 8.7% y-o-y, with the **net income margin** effectively stable at 31.3%.

	Q1-05	H1-05	9m-05	FY-05	Q1-06	H1-06
AMOU, blended (min)	64	65	67	67	59	61
ARPU, blended (€)	17	16	17	17	15	15
Total Customer base	700,047	730,786	762,095	781,496	827,524	849,466

2.3 BULGARIA - GLOBUL: CONTINUING GROWTH

During the first half, GLOBUL sustained its strong performance, delivering 33% revenue growth (30% in Q2). Net new additions for Q2 reached 126,867, bringing the total for



the first half to 294,360 leading to a market share of 39%. GLOBUL's subscriber base has reached a total of 2.7 million. Contract customers at the end of H1-06 accounted approximately for just under one third of the subscriber base, up by 35% y-o-y, while prepaid customers increased by 41%. Notably, during Q2, over 35% of net additions were contract customers, the highest percentage in the company's history.

2006 is a transitional year for the Bulgarian mobile market. Having invested heavily in market awareness, network quality and distribution, GLOBUL has managed to continue attracting the majority of new subscribers and expand its revenues despite the aggressive environment and, through operational leverage, continues to improve its profitability margins.

Bundled packages, as well as offerings promoting on-net traffic, are leading usage to higher levels, through a managed process.

Summary Financial Results for GLOBUL for the 3 & 6 months ended June 30, 2006 & 2005

(Amounts in mil. €, Reviewed)	Q2-06	Q2-05	Δ	H1-06	H1-05	Δ
Revenues	82.3	63.5	29.6%	156.2	117.5	33.0%
EBITDA	30.5	21.1	44.7%	57.9	38.1	52.2%
EBITDA margin	37.0%	33.2%	3.8pp	37.1%	32.4%	4.7pp
Net Income	7.8	4.2	87.0%	15.2	6.3	139.0%
Net Income margin	9.4%	6.5%	2.9pp	9.7%	5.4%	4.3pp

As a result of its fast subscriber growth, GLOBUL's **revenues** increased by 33% to € 156.2 million in H1. At the same time, its EBITDA margin reached 37% for H1-06, from 32.4% in H1-05 and 34.2% in FY 2005, despite the rapid new subscribers take up. The EBITDA margin remained largely stable in Q2 compared to Q1, due to increased handset sales and higher marketing expenses, including the Company's change of logo along the Group lines in May. Notably, telecom service EBITDA reached 40% in Q2, up from 39% in Q1. EBITDA for the quarter amounted to €30.5 million, 44.7% higher than a year ago, while net income margin followed with 9.4% from 6.5% in Q2-05.

GLOBUL is well on track to delivering the targets set for this year. During the quarter GLOBUL's contribution to the consolidated revenues was 15%, while its contribution to Group EBITDA was 15% and to Group net income 10% approximately.

Remarkably, despite the fast growth in subscriber numbers, GLOBUL's **blended AMOU** during the period increased by 22% y-o-y to 72 min. while **blended ARPU** for the same period was stable at approximately € 11. This is indicative of the market's potential and dynamics, resulting from strong economic growth as well as GLOBUL's increasing penetration in the corporate and high-end market segment after the significant network upgrades that took place in the last two years and the significant commercial initiatives that continue to enhance GLOBUL's market appeal.

	Q1-05	H1-05	9m-05	FY-05	Q1-06	H1-06
AMOU, blended (min)	55	59	62	65	68	72
ARPU, blended (€)	11	11	12	12	11	11
Total Customer base	1,775,337	1,936,126	2,156,262	2,393,717	2,561,210	2,688,077



2.4 FYROM - COSMOFON: FAST TURNAROUND

COSMOFON continued its turnaround, achieving fast growth in turnover and significant improvements in its operational and financial performance. Revenues increased by 42% y-o-y, to € 23.7million in the period under review driven mainly by a 31.3% increase in the subscriber base. Notably telecommunications service revenues increased by 50.3%, reflecting increased monthly fees and outgoing airtime, up by 58.7% y-o-y. COSMOFON's **blended AMOU** during H1-06 reached 51 minutes (+13% y-o-y), while **blended ARPU** for the same period was stable at € 9, despite the increasing customer take up.

Summary Financial Results for COSMOFON for the 3 & 6 months ended June 30, 2006 & 2005

(Amounts in mil. €,Reviewed)	Q2-06	Q2-05	Δ	H1-06	H1-05	Δ
Revenues	12.8	9.2	39.7%	23.7	16.7	42.1%
EBITDA	1.9	-0.3	n/a	3.2	-0.2	n/a
EBITDA margin	14.5%	n/a	n/a	13.7%	n/a	n/a
Net Income	-2.2	-3.6	n/a	-5.2	-7.6	n/a

COSMOFON continued to increase its profitability, reaching 14.5% **EBITDA margin** for the quarter, from 12.8% in Q1 and -4% in Q2 2005.

During the first half of 2006 COSMOFON added 48,503 net new subscribers, of which 18,727 in Q2, bringing the total number of customers at the end of June 2006 to 432,689, with an estimated market share of 33%. The bulk of subscribers (c. 89%) are prepaid.

	Q1-05	H1-05	9m-05	FY-05	Q1-06	H1-06
AMOU, blended (min)	41	45	51	49	46	51
ARPU, blended (€)	9	9	10	10	9	9
Total Customer base	282,117	329,622	358,342	384,186	413,962	432,689

2.5 ROMANIA – COSMOTE ROMANIA: MAKING INROADS

COSMOTE Romania continued to make significant market inroads and gaining an increasing share of new subscribers.

During this period, COSMOTE has invested substantially in expanding its network, building its brand image and establishing itself in the market through an extended commercial presence. The company's increased market visibility and new distribution agreements are already resulting in an increasing flow of new subscribers.

During Q2-06 COSMOTE Romania added 256,098 net new subscribers, accelerating further the subscriber additions compared to Q1 and bringing the total net additions for the first half to 482,685, bringing the total number of customers in H106 to 531,619, corresponding to a c. 4% market share within just six operational months. The majority of the subscriber base (c. 86%) is prepaid as the company has been focusing on this



market segment. Blended ARPU declined to € 5.4. As network coverage is improving, the customer mix is expected to lead to ARPU improvements in the future.

The company's investments are already bearing fruit and despite the operating and net losses, the company is well within its targets.

Summary Financial Results for COSMOTE Romania for the 3 & 6 months ended June 30, 2006 & 2005

(Amounts in mil. €, Reviewed)	Q2-06	Q2-05	H1-06	H1-05
Revenues	7.9	1.7	14.0	3.1
EBITDA	-18.2	-5.7	-30.5	-8.5
Net Income	-25.8	-8.4	-44.9	-4.6

COSMOTE Romania results for the consolidated period of €14.0 million revenues, € -30.5 million EBITDA and € 44.9 million net loss reflect primarily the aforementioned initiatives, the financial requirements of the commercial launch and the first few months of operations.

COSMOTE Romania continues to invest heavily in improving its network infrastructure, and is expected to have network coverage at par with competition by year end across the whole country. In addition, it continues investing in building its brand, attracting an increasing number of users and expanding its distribution. Already, COSMOTE Romania has the most extensive distribution network, comprising of 542 shops nationwide. The acquisition of Germanos, once concluded, will bring significant benefits to COSMOTE Romania, further enhancing its subscriber reach and accelerating its targets to gain market momentum and share

3. GROUP CASH FLOWS & DEBT

During the first half, COSMOTE Group **capital expenditure** reached € 201 million, of which € 51 million were invested in Greece, € 83 million in Romania, € 46 million in Bulgaria, € 14 million in Albania and €7 million in FYROM. Capital Expenditure, particularly in Romania accelerated significantly in the second quarter as the company expedites the network roll-out program following the slowdown in Q1 due to weather conditions. Investments in mature networks are expected to be limited to below 10% of sales over time, allowing the Group to enhance its free cash flow generation.

Total Group **net debt** stood at approximately € 1.3 billion at the end of the quarter.

The 9th Annual General Shareholders' Meeting that took place on 9 June, approved the distribution of the annual dividend for the fiscal year 2005 amounting to € 216.9 mil, increased by 14.5% y-o-y, resulting in a DPS of € 0.65.



COSMOTE Group CEO, Evangelos Martigopoulos, commented: "The first half of 2006 has been an exciting period, during which we have reaffirmed the soundness of our strategy. Greece continues to offer growth and upside, while all our operations in S.E. Europe show steady improvements, with encouraging trends, despite all regulatory and competitive challenges. Our Romanian operation, still at a very early phase in its development is making significant inroads and we are investing in its future. Most importantly, during this period we have concluded the agreement for the acquisition of Germanos, a transaction which we expect to close in the coming months. This acquisition will transform the outlook of our Group, providing the springboard for even faster growth through increasing revenues and cost savings throughout our operations.

These developments provide us with strong optimism for the future; at the same time they impose on us the responsibility to extract the maximum value in the coming periods, a challenge we are fully committed to meet. "

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Note on Forward-looking Statements:

Some of the statements in this document are "forward-looking statements". Forward-looking statements are derived from information that we currently have and assumptions that we make. Words such as "believes", "anticipates", "targets", "expects", "intends", "seeks", "will", "plans", "could", "may", "projects" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We cannot assure that anticipated results will be achieved, since results may differ materially because of both known and unknown risks and uncertainties which we face. Save as required by law or regulation, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, different anticipations or otherwise.

Factors that could cause actual results to differ materially from our forward-looking statements include, but are not limited to, the following:

- the effects of domestic and foreign economic and political conditions, and conditions which affect the market for electronic communications services;
- changes in the laws, rules and regulations which apply to our company and its affiliates, including changes to permitted tariffs;
- the effects of competition from other providers of electronic communications services;
- risks that we face in entering new markets and diversifying the products and services we offer;
- unexpected turnover of professional staff;
- changing trends and inherent uncertainties in the electronic communications industry;
- the ability to attain adequate prices, obtain new business and to retain existing business consistent with our expectations;
- the level of demand for our services;
- the ability to reduce costs;
- the timely development and acceptance of new products and services;
- the effect of technological changes in communications and information technology; and



- the managing the foregoing and related risks.

In light of these risks, uncertainties and assumptions, the forward-looking events in this document might not occur. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of their respective dates.

Notes to Editors:

1. COSMOTE commenced commercial operations in April 1998 as the third mobile operator in Greece.
2. According to COSMOTE's share registry on May 18, 2006 the Company's shareholding structure was the following:

Shareholder	# of shares	(%)
OTE S.A.	223,572,294	67.00%
Free Float	110,115,816	33.00%
TOTAL	333,688,110	100.00%

3. COSMOTE's shares are listed on the Athens Stock Exchange and its GDRs are listed on the London Stock Exchange. The shares and GDRs began trading on Thursday 12 October 2000 in ASE and LSE respectively (Each GDS represents two shares. The GDSs are evidenced by GDRs).
4. COSMOTE's paid in share capital amounts to Euro 156,833,411.70 and consists of 333,688,110 ordinary registered shares with a nominal value of Euro 0.47 per share.
5. As of 21/8/2006 COSMOTE was a shareholder in:
 - COSMO-HOLDING Albania S.A. 97% Cosmo-Holding Albania owns 85% of Albanian Mobile Communications sh.a
 - COSMO BULGARIA MOBILE EAD 100%
 - OTE MTS HOLDING BV 100% OTE MTS HOLDING owns 100% of COSMOFON Mobile Telecommunications Services
 - COSMOROM S.A. 70%
 - COSMO-MEGALA KATASTIMATA S.A. 40%
 - COSMO-ONE Hellas Market Site S.A. 30.87%
 - Germanos S.A. 20.7%

Shares: Athens SE, Reuters COSr.AT. Bloomberg COSMO GA. ISIN GRS408333003.

GDRs: LSE, Reuters COSq.L. Bloomberg CRM GR, CMBD LI.

Regulations S: ISIN US2214682005, SEDOL 4499035, CUSIP Number 221468200, Common Code 011870180.

Rule 144A: ISIN US2214681015, CUSIP Number 221468101, PORTAL Trading Symbol CMCTGSP.

Indices: ASE GENERAL INDEX (ASE), FTSE/ASE 20 INDEX (FTASE), ASE MAIN GENERAL (ASESAGD), ASE TELECOM INDEX (ASEDTL), BBG EUROPE TELECOM (BWTELE), BE500 TELECOM SE (BETELES), BLOOMBERG EUROPE (BE500), DJS TELECOM (SXKP), DJ EURO STOXX (SXXE), DJES TELECOM (SXKE), DJ STOXX 600 (SXXP), FTSEUROFIRST 300 (E300), FTSEUROFIRST TELECOM (EFTELES).

