

## DISTRIBUTION TABLE OF CAPITAL RAISED BY THE SHARE CAPITAL INCREASE WITH CASH

It is hereby notified, in accordance with decision no. 58/28.12.2000 of the Athens Stock Exchange, that the increase in the company's share capital by cash contribution and share options exercised by old shareholders, which took place on the basis of decision no. 18/17.03.2006 of the Extraordinary General assembly of shareholders and was approved at the meeting of the Athens Stock Exchange Board of Directors on 25.05.2006, raised a net capital of €115,904,344 (total amount €119,904,344 less budgeted issue expenses amounting to €4,000,000). The exercise period for the stock option was from 08.05.2006 to 22.05.2006. 21,411,490 new common shares have issued with a nominal value of €1.18 each, which were listed for trading on the ASE on 29.05.2006. Payment of the share capital increase was confirmed by the company's Board of Directors on 23.05.2006.

Amounts in €	Intended use of funds according to prospectus				Funds allocation		Non-allocated funds
	Year 2006	Year 2007	Year 2008	Total 2006-2008	Until 30.6.2006	Total	
Development-Installation of Fiber Optic Networks & Acquisition of Intl Capacity	5.000.000	17.500.000	10.000.000	32.500.000	-	-	32.500.000
Development of Broadband Infrastructure and Services	13.000.000	16.000.000	10.904.344	39.904.344	410.649	410.649	39.493.695
Procurement of EDP software and hardware	3.000.000	3.000.000	1.500.000	7.500.000	130.605	130.605	7.369.395
Market share expansion	10.000.000	20.000.000	-	30.000.000	-	-	30.000.000
Working capital	6.000.000	-	-	6.000.000	6.000.000	6.000.000	-
Issue expenses	4.000.000	-	-	4.000.000	545.396	545.396	3.454.604
<b>Total</b>	<b>41.000.000</b>	<b>56.500.000</b>	<b>22.404.344</b>	<b>119.904.344</b>	<b>7.086.650</b>	<b>7.086.650</b>	<b>112.817.694</b>

### Notes:

- 1.The "Development of Broadband Infrastructure and Services" category concerns investments in broadband access infrastructure equipment, transmission systems, preparation of broadband access sites and infrastructure in building facilities and procurement of broadband access terminal equipment.
- 2.The "Procurement of EDP software and hardware" category concerns investments for the procurement of IT systems (hardware and software programmes).
- 3.The "Working Capital" category concerns repayment of part of the company's short-term loans.
- 4.The "Issue expenses" category concerns expenses for guaranteed coverage, consultants' fees, taxes and duties, sundry expenses directly related to the increase, as well as the issue consultant's fee.
- 5.The non-allocated amount as at 30.06.2006 (€ 112,817,694) is placed as follows:

- Bonds	40.283.843
- Time Deposits	67.000.000
- Sight Deposits	5.533.851
<b>Total</b>	<b>112.817.694</b>

Heraklion, 28 August 2006

CHAIRMAN OF THE B.O.D

CHIEF EXECUTIVE OFFICER

FINANCIAL MANAGER

CHIEF ACCOUNTANT

IOANNIS AVEROF  
ID No. N 772354

PANTELIS TZORTZAKIS  
ID No. X 072948

GEORGIOS KARAKOVOUNIS  
ID No. N 536124  
OEE License No. 0036987 A Class

SPYROS KOSMAS  
ID No. Ξ 324578  
OEE License No. 0016310 A Class

### CERTIFIED AUDITORS' REPORT

We have audited the above "Raised funds allocation" statement of the "Hellenic Telecommunications and Telematic Applications Company S.A." or "FORTHNET S.A.", for the six-month period ending on June 30th 2006. The Company's administration carries the responsibility for the specific statement. We are responsible for expressing an opinion on the specific statement, on the basis of our audit. Our audit was carried out in accordance with Hellenic Auditing Standards, which are harmonised with International Audit Standards. These Standards require the planning and execution of audit work in a way that ensures reasonable certainty that the "Raised funds allocation" statement does not have any material inaccuracies or omissions. The audit includes a random examination of evidence supporting the amounts and information contained in the "Raised Funds allocation" statement. We believe that the audit carried out constitutes a sufficient basis for drafting our report. In our opinion, the aforementioned "Raised funds allocation" statement reflects the way in which raised capital was allocated as well as the non-allocated balance as at June 30th 2006.

Athens, 29 August 2006

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SOEL REG. No.: 14611

ERNST & YOUNG (HELLAS)  
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 **ERNST & YOUNG**

  
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