

TABLE OF DISTRIBUTION FROM CAPITAL RAISED THROUGH SHARE CAPITAL INCREASE WITH CASH

It is hereby notified, in accordance with decision no. 58/28.12.2000 of the Athens Stock Exchange, that from the company's share capital increase by cash and share options exercised by old shareholders, which took place on the basis of decision no. 18/17.03.2006 of the company's shareholders Extraordinary General Assembly and approved by the Athens Stock Exchange Board of Directors meeting on 25.05.2006, raised a net capital of €116,362,366 (total amount €119,904,344 less issuing expenses equal to €3,541,978). The exercise period for the stock option was from 08.05.2006 to 22.05.2006. From this share capital increase 21,411,490 new common shares have issued with a nominal value of €1.18 each, which were listed for trading on the Athens Stock Exchange on 29.05.2006. The company's share capital increase was confirmed by the Board of Directors on 23.05.2006.

Amounts in €	Intended use of funds according to Prospectus				Funds allocation			Unused funds
	2006	2007	2008	Total (2006-2008)	Until 30/6/2006	01/07 to 31/12/2006	Total up until 31/12/2006	
Development - Installation of Optical Fibre Networks and Acquisition of International Capacity	5.000.000	17.500.000	10.000.000	32.500.000	-	4.770.125	4.770.125	27.729.875
Development of Broadband Infrastructure and Services	13.000.000	16.000.000	10.904.344	39.904.344	410.649	4.616.716	5.027.365	34.876.979
Procurement of EDP software and hardware	3.000.000	3.000.000	1.500.000	7.500.000	130.605	2.365.729	2.496.334	5.003.666
Market share expansion	10.000.000	20.000.000	-	30.000.000	-	6.180.967	6.180.967	23.819.033
Working capital increase	6.000.000	-	-	6.000.000	6.000.000	-	6.000.000	-
Issuing expenses	4.000.000	-	-	4.000.000	545.396	2.996.582	3.541.978	458.022
Total	41.000.000	56.500.000	22.404.344	119.904.344	7.086.650	20.930.119	28.016.769	91.887.575

Notes:

1. The category "Development - Installation of Optical Fibre Networks and Acquisition of International Capacity" is related to investments for the development of fibre optics network in the region of Attica and Thessaloniki, as well as the purchase of high capacity fibre optics lines necessary for the company's network interconnection with overseas.
2. The category "Development of Broadband Infrastructure and Services" is related to 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. The difference in relation to the budgeted sum is due to the delayed delivery of OTE's exchanges.
3. The category "Procurement of EDP software and hardware" is related to investments for the procurement of IT systems (equipment and software).
4. The category "Market share expansion" is related to expenses made for the promotion of the company's services. These expenses are advertising, suitable marketing policies and the enhancement of the commercial agreements. The difference in relation to the budgeted sum is due to the delayed delivery of OTE's exchanges (see note.2), resulting in the delay of the new commercial policy's application.
5. The category "Working Capital" is related to the partial repayment of the company's short term borrowings.
6. The category "Issuing expenses" is related to expenses made for consulting fees, taxes and duties, various directly related expenses to issue as well as the fees paid to the financial advisor.
7. The unused funds as at 31.12.2006 equal to € 91,887,575 are invested as follows:

- Bonds	68.130.477
- Time Deposits	20.900.000
- Sight Deposits	2.857.098
Total	91.887.575

Heraklion, 19 March 2007

CHAIRMAN OF THE B.O.D

CHIEF EXECUTIVE OFFICER

FINANCIAL DIRECTOR

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 Ε 324578
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REPORT OF FINDINGS OF THE AGREED UPON PROCEDURES TO THE BOARD OF DIRECTORS OF FORTHNET S.A.

We have performed the following agreed upon procedures related to the attached "Table of Distribution from capital raised through share capital increase of «FORTHNET S.A.» («the Company») with cash". The specific report is solely responsibility of the Company's Administration. Our work has been done based on the International Standards on Related Services «ISRS 4400», which is applied in agreed upon procedures cases. Our responsibility is to proceed in the agreed upon procedures below and report our findings. The agreed upon procedures and findings are as follows:

1. It is confirmed that the data in the columns with title: «Intended use of funds according to Prospectus» result indeed from the company's prospectus.
2. It is confirmed that the data in the columns with title: «Funds allocation»: (a) until 30.06.2006 result from the related published statement as of August 28th 2006 and (b) from July 1st to December 31st 2006 result from the company's accounting books.

As a result of the above agreed upon procedures we have not traced any exemptions. Based on the fact that the above procedures do not present an audit or a review according to the International Standards on Auditing and the International Survey Standards, we do not express any audit opinion, beyond our findings. Our report is solely provided to the FORTHNET's S.A. Board of Directors regarding their obligations to the Supervising Authorities. The present report is limited to the data provided above and does not include the Company's financial statements.

Athens, 20 March 2007

CHRISTOS PELENDRIDIS
SOEL REG. No: 17831

STAVROS SALOUSTROS
SOEL REG. No: 14611

ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS S.A.
SOEL REG. No: 107

 **ERNST & YOUNG**

SOL S.A.
CERTIFIED AUDITORS
SOEL REG No: 125

 **ΣΟΑ**
ΟΡΓΑΝΙΣΜΟΣ ΕΛΕΓΚΤΩΝ ΑΣΦΑΛΙΣΤΩΝ