

COSMOTE MOBILE TELECOMMUNICATIONS S.A.
INTERIM CONDENSED FINANCIAL STATEMENTS
PARENT COMPANY AND CONSOLIDATED
AS OF 30 SEPTEMBER 2006
IN ACCORDANCE WITH
THE INTERNATIONAL ACCOUNTING STANDARD 34

FREE TRANSLATION FROM THE GREEK ORIGINAL

The attached Interim Condensed Financial Statements are those that have been approved by the Board of Directors of COSMOTE MOBILE TELECOMMUNICATIONS S.A on November 8, 2006 and have been published by posting on the Internet at the web site address www.cosmote.gr

COSMOTE MOBILE TELECOMMUNICATIONS S.A.
INTERIM CONDENSED FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED)
AS OF SEPTEMBER 30, 2006

CONTENTS

	<u>Page</u>
• Interim Condensed Income Statements (Parent Company and Consolidated) for the nine months period ended September 30, 2006	2
• Interim Condensed Balance sheets (Parent Company and Consolidated) as of September 30, 2006	3
• Interim Condensed Statements of Movement in Equity (Parent Company and Consolidated) for the nine months period ended September 30, 2006	4-5
• Interim Condensed Statements of Cash Flow (Parent Company and Consolidated) for the nine months period ended on September 30, 2006	6
• Notes to the Interim Condensed Financial Statements (Parent Company and Consolidated)	9-26

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

INTERIM CONDENSED INCOME STATEMENTS (PARENT COMPANY AND CONSOLIDATED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

	NOTES	THE GROUP				THE COMPANY			
		01/01/06- 30/09/06	01/07/06- 30/09/06	01/01/05- 30/09/05	01/07/05- 30/09/05	01/01/06- 30/09/06	01/07/06- 30/09/06	01/01/05- 30/09/05	01/07/05- 30/09/05
Operating revenues	4	1,630,559	593,480	1,292,316	501,092	1,218,012	435,576	1,138,554	409,288
Operating expenses	5.1	(1,212,956)	(421,432)	(894,008)	(346,106)	(820,276)	(277,321)	(786,971)	(273,811)
Gross revenues		417,603	172,048	398,308	154,986	397,736	158,255	351,583	135,477
Other revenues	5.2	8,065	1,359	1,850	1,359	381	(586)	329	(62)
Other expenses	5.2	(11,679)	(1,574)	(7,982)	(6,438)	(1,777)	(246)	(1,234)	226
		(3,614)	(215)	(6,132)	(5,079)	(1,396)	(832)	(905)	164
Financial income	5.3	11,456	6,717	5,528	2,582	10,416	6,761	14,074	1,226
Financial expenses	5.3	(39,687)	(15,242)	(14,981)	(8,629)	(28,248)	(12,151)	(12,076)	(6,200)
		(28,231)	(8,525)	(9,453)	(6,047)	(17,832)	(5,390)	1,998	(4,974)
Profit before tax		385,758	163,308	382,723	143,860	378,508	152,033	352,676	130,667
Income tax expenses		(125,276)	(49,963)	(124,621)	(47,975)	(110,870)	(44,062)	(114,825)	(41,327)
Net Profit (after tax)		260,482	113,345	258,102	95,885	267,638	107,971	237,851	89,340
Minority interest		13,415	3,833	(2,837)	808	-	-	-	-
Net Profit (after tax and minority interest)		273,897	117,178	255,265	96,693	267,638	107,971	237,851	89,340
Basic earnings per share (amount in EURO)	9	<u>0.82</u>		<u>0.77</u>		<u>0.80</u>		<u>0.72</u>	
Diluted earnings per share (amount in EURO)	9	<u>0.82</u>		<u>0.77</u>		<u>0.80</u>		<u>0.72</u>	

The Financial Statements (pages 2 to 26) which have been prepared in accordance with IAS 34, have been approved by the Board of Directors on November 8, 2006 and are signed, on its behalf, by:

Chairman of the BOD

Managing Director

Panagis Vourloumis

Evangelos Martigopoulos

Chief Financial Officer

Accounting Director

Elias Fotiadis

John Hohorelos

The attached notes on pages 9-26 are an integral part of these Interim Condensed Financial Statement

COSMOTE MOBILE TELECOMMUNICATIONS S.A.
INTERIM CONDENSED BALANCE SHEETS (PARENT COMPANY AND CONSOLIDATED)
AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

	NOTE	THE GROUP		THE COMPANY	
		30/09/2006	31/12/2005	30/09/2006	31/12/2005
ASSETS					
Non-Current Assets					
Property, plant and equipment	11	1,547,931	1,462,856	698,682	737,827
Goodwill		62,192	62,415	-	-
Telecommunication Licenses	11	382,659	391,405	213,498	223,276
Investments	16	664	909	1,361,529	707,783
Financial Investments	7	321,589	-	-	-
Deferred tax assets		5,320	11,332	-	1,067
Other non current assets		3,846	3,205	3,227	3,013
Total non-Current Assets		2,324,201	1,932,122	2,276,936	1,672,966
Current Assets					
Inventories		34,046	26,099	17,154	14,522
Trade receivables		260,616	205,307	155,212	125,833
Due from related companies	10	10,626	17,687	182,677	23,051
Mutual funds		851	834	851	834
Financial Derivatives	6	49,044	-	-	-
Non current assets for sale	7	-	-	321,589	-
Other current assets	12	51,256	37,016	26,073	17,072
Cash and cash equivalents		965,945	330,113	201,428	217,487
Total current assets		1,372,384	617,056	904,984	398,799
TOTAL ASSETS		3,696,585	2,549,178	3,181,920	2,071,765
EQUITY AND LIABILITIES					
Equity					
Share capital	13	156,833	156,264	156,833	156,264
Share premium reserve	13	185,675	173,445	185,675	173,445
Legal reserve	15	55,185	52,751	52,088	52,088
Consolidation reserve		(187,434)	(185,688)	-	-
Retained Earnings		505,552	450,985	390,803	340,062
Translation reserve and others		(17,448)	3,766	(27,724)	34
Total equity attributable to equity holders of the Parent Company		698,363	651,523	757,675	721,893
Minority interest		93,052	105,403	-	-
Total Equity		791,415	756,926	757,675	721,893
Long-term liabilities					
Long-term borrowings	17	805,942	1,124,059	548,756	837,579
Employee retirement benefits		5,100	4,051	5,068	4,019
Deferred tax liabilities		7,169	7,712	2,880	-
Other long-term liabilities	18	48,546	19,285	46,569	17,809
Total long-term liabilities		866,757	1,155,107	603,273	859,407
CURRENT LIABILITIES					
Current portion of non current liabilities		15,993	16,189	15,993	16,141
Short-term borrowings	17	1,540,884	201,192	1,520,873	201,000
Trade payables		279,829	260,584	126,127	148,691
Due to related companies	10	26,655	12,248	18,973	5,688
Income tax payable		79,103	65,781	74,636	62,505
Other current liabilities	19	95,949	81,151	64,370	56,440
Total Current liabilities		2,038,413	637,145	1,820,972	490,465
Total liabilities		2,905,170	1,792,252	2,424,245	1,349,872
TOTAL EQUITY AND LIABILITIES		3,696,585	2,549,178	3,181,920	2,071,765

The attached notes on pages 9-26 are an integral part of these Interim Condensed Financial Statements

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

INTERIM CONDENSED STATEMENTS OF MOVEMENT IN SHAREHOLDERS EQUITY (PARENT COMPANY AND CONSOLIDATED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2006

(In thousands of EURO, unless otherwise is stated)

	THE GROUP									THE COMPANY					
	Share capital	Share Premium reserve	Legal reserve	Consolidation reserve	Exchange differences and others	Retained earnings	Total	Minority interest	Total Equity	Share capital	Share Premium reserve	Legal reserve	Exchange differences and others	Retained earnings	Total Equity
Balance 01/01/2005	155,658	160,708	45,717	-	3,194	606,838	972,115	27,364	999,479	155,658	160,708	45,054	-	520,205	881,625
Income statement effect															
Profit for the period	-	-	-	-	-	255,265	255,265	2,837	258,102	-	-	-	-	237,851	237,851
Equity effect															
Increase of share capital	605	11,833	-	-	-	-	12,438	-	12,438	605	11,833	-	-	-	12,438
Dividends	-	-	-	-	-	(488,740)	(488,740)	-	(488,740)	-	-	-	-	(488,740)	(488,740)
Reserve of acquisition	-	-	-	(181,487)	-	-	(181,487)	75,714	(105,773)	-	-	-	-	-	-
Stock option plan	-	587	-	-	-	-	587	-	587	-	587	-	-	-	587
Exchange differences	-	-	-	-	5,358	(5)	5,353	1,738	7,091	-	-	-	17	-	17
Equity effect Balance	605	12,420	-	(181,487)	5,358	(488,745)	(651,849)	77,452	(574,397)	605	12,420	-	17	(488,740)	(475,698)
Balance 30/09/2005	156,263	173,128	45,717	(181,487)	8,552	373,358	575,531	107,653	683,184	156,263	173,128	45,054	17	269,316	643,778

The attached notes on pages 9-26 are an integral part of these Interim Condensed Financial Statements

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

INTERIM CONDENSED STATEMENTS OF MOVEMENT IN SHAREHOLDERS EQUITY (PARENT COMPANY AND CONSOLIDATED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2006

(In thousands of EURO, unless otherwise is stated)

	THE GROUP									THE COMPANY					
	Share capital	Share Premium reserve	Legal reserve	Consolidation reserve	Exchange differences and others	Retained earnings	Total	Minority interest	Total Equity	Share capital	Share Premium reserve	Legal reserve	Exchange differences and others	Retained earnings	Total Equity
Balance 01/01/2006	156,264	173,445	52,751	(185,688)	3,766	450,985	651,523	105,403	756,926	156,264	173,445	52,088	34	340,062	721,893
Income statement effect															
Profit for the period	-	-	-	-	-	273,897	273,897	(13,415)	260,482	-	-	-	-	267,638	267,638
Equity effect															
Increase of share capital	569	11,149	-	-	-	-	11,718	-	11,718	569	11,149	-	-	-	11,718
Transfer to legal reserve	-	-	2,434	-	-	(2,434)	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(216,896)	(216,896)	-	(216,896)	-	-	-	-	(216,896)	(216,896)
Valuation of mutual funds and securities	-	-	-	-	(27,759)*	-	(27,759)	-	(27,759)	-	-	-	(27,758)*	(1)	(27,759)
Reserve of acquisition	-	-	-	(1,746)	-	-	(1,746)	-	(1,746)	-	-	-	-	-	-
Stock option plan	-	1,081	-	-	-	-	1,081	-	1,081	-	1,081	-	-	-	1,081
Exchange differences	-	-	-	-	6,545	-	6,545	1,064	7,609	-	-	-	-	-	-
Equity effect Balance 30/09/2006	569	12,230	2,434	(1,746)	(21,214)	(219,330)	(227,057)	1,064	(225,993)	569	12,230	-	(27,758)	(216,897)	(231,856)
	156,833	185,675	55,185	(187,434)	(17,448)	505,552	698,363	93,052	791,415	156,833	185,675	52,088	(27,724)	390,803	757,675

* please see note 18A

The attached notes on pages 9-26 are an integral part of these Interim Condensed Financial Statements

COSMOTE MOBILE TELECOMMUNICATIONS S.A.**INTERIM CONDENSED STATEMENTS OF CASH FLOW (PARENT COMPANY AND CONSOLIDATED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2006**

(In thousands of EURO, unless otherwise is stated)

	THE GROUP		THE COMPANY	
	30/09/2006	30/09/2005	30/09/2006	30/09/2005
Cash flows from operating activities				
Net profit before tax and minority interests	385,758	382,723	378,508	352,676
Adjustments to:				
Provisions & foreign exchange differences	17,837	10,078	9,986	6,337
Depreciation	225,546	171,394	128,259	139,028
Gain on investments	(11,456)	(5,528)	(10,416)	(14,074)
Interest and other financial expense	39,687	14,981	28,248	12,076
	657,372	573,648	534,585	496,043
Trade receivables	(73,653)	(4,489)	(36,589)	(24,097)
Due from related companies	7,427	7,793	1,431	3,528
Due to related companies	11,290	(1,578)	7,384	3,691
Inventories	(8,936)	1,558	(2,632)	1,402
Trade payables	19,302	(23,792)	(22,563)	(14,324)
Other non-current assets	(202)	(141)	(215)	(127)
Other non-current liabilities	510	-	701	-
Other current liabilities	5,184	7,870	9,396	(2,475)
Other current assets	(1,891)	(7,035)	(9,001)	(10,111)
Cash flows from operating activities	616,403	553,834	482,497	453,530
Income tax paid	(108,495)	(116,033)	(96,887)	(102,299)
Interest expenses paid	(34,699)	(12,085)	(22,349)	(9,186)
Net cash flows from operating activities	473,209	425,716	363,261	342,045
Cash flows from investment activities				
Purchase of property, plant and equipment and intangible assets	(295,390)	(92,838)	(79,570)	(49,619)
Sale of property, plant and equipment and intangible assets	1,067	-	221	-
Reserve of acquisition	-	(484,332)	(653,746)	(612,899)
Securities acquisition	(370,734)	1,734	(321,603)	-
Interest income received/Dividends	11,364	5,528	9,508	13,874
Net cash used in investing activities	(653,693)	(569,908)	(1,045,190)	(648,644)
Cash flows from financing activities				
Proceeds from the increase of share capital	11,718	12,438	11,718	12,438
Proceeds from borrowings	1,041,811	988,801	1,063,000	988,801
Repayments of borrowings	(20,468)	(348,172)	(192,420)	(346,706)
Dividends paid	(216,745)	(488,740)	(216,428)	(488,740)
Net cash used from financing activities	816,316	164,327	665,870	165,793
Net increase/(decrease) in cash & cash equivalents	635,832	20,135	(16,059)	(140,806)
Cash & cash equivalents at beginning of period	330,113	264,360	217,487	239,496
Cash & cash equivalents at the end of period	965,945	284,495	201,428	98,690

The attached notes on pages 9-26 are an integral part of these Interim Condensed Financial Statements

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED) AS OF SEPTEMBER 30, 2006

CONTENTS	Page
1. Incorporation and activities of the Group	9
2. Basis of preparation of Financial Statements	10
3. Significant Accounting Policies	10
3.1 General	10
3.2 New Accounting Standards and Interpretations of I.G.C.F.S.	10
4. Operating revenues	10
5. Analysis of expenses	11
5.1 Operating expenses	11
5.2 Other revenues-expenses	11
5.3 Financial revenues-expenses	12
5.4 Income tax	12
6. Financial investments	13
7. Non current assets for sale	13
8. Segment Information	13
9. Earnings, after income taxes, per share	14
10. Transactions with related companies	15
11. Property, plant, equipment and telecommunications licenses	17
12. Other current assets	18
13. Share Capital-Share premium reserve	18
14. Dividends	18
15. Legal reserve	18
16. Investments	19
16.1 Subsidiary's establishment in Cyprus	19
17. Interest borrowings	20
18. Other long-term liabilities	20
19. Other current liabilities	21
20. Subsequent Events	21
20.1 Acquisition of a higher stake in GERMANOS S.A	22
20.2 Announcement of the submission of a Public Tender Offer for the acquisition of GERMANOS' S.A. shares	22
20.3 Loan Agreement with Globul	22
20.4 Approval of issuance of a Bond loan to be subscribed by OTE plc.	22
20.5 Participation of COSMOTE ROMANIA to a tender for the granting of a 3G License in Romania	22

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS (PARENT COMPANY AND CONSOLIDATED) AS OF SEPTEMBER 30, 2006

CONTENTS (cont.)	Page
20.6 Launch of a bid for the granting of a third mobile licence in FYROM	22
21. Commitments and Contingent Liabilities	23
21.1 Licenses terms	23
21.2 Capital commitments	23
21.3 Tax issues	23
22. Financial instruments	23
22.1 Exchange risks	23
22.2 Credit risks	23
22.3 Interest rate risks	23
22.4 Liquidity risk	23
23. Encumbrances	23
24. Litigation	24
24.1 COSMOTE	24
24.2 AMC	24
24.3 COSMOFON	25
24.4 GLOBUL	26
25. Other events	26
25.1 Decision by NTPC concerning the Regulation of Mobile Termination Rates	26
25.2 European Commission Draft Regulation concerning International Roaming Charges	26

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

1. Incorporation and activities of the Group

COSMOTE MOBILE TELECOMMUNICATIONS S.A. (hereinafter referred to as the “Company” or “COSMOTE”) was incorporated in 1996 (is located at the 44, Kifissias Avenue, Maroussi, R.N. 36581/06/B/96/102) as a societate anonime, in order to provide mainly mobile telecommunications services.

The shareholders’ structure of the Company, is the following:

- OTE S.A. 67%
- Flee float and institutional investors 33%

The Interim Condensed Consolidated Financial Statements of COSMOTE and its subsidiaries (hereinafter referred as “Group”) are included in the Consolidated Financial Statements of OTE S.A. (is located at the 99, Kifissias Avenue Maroussi, R.N 347/06/B/86/10)

The Group except of COSMOTE comprises from the following subsidiaries:

Company	Activity	Location	Ownership Interest 30/09/2006	Ownership Interest 31/12/2005
• COSMO-HOLDING ALBANIA (1)	Holding Company	Greece	97%	97%
• OTE MTS HOLDING BV (2)	Holding Company	Holland	100%	100%
• COSMOHOLDING CYPRUS LTD(3)	Holding Company	Cyprus	100%	-
• S.C. COSMOTE ROMANIAN MOBILE TELECOMMUNICATIONS S.A. (4)	Services Company	Romania	70%	70%
• COSMOBULGARIA MOBILE EAD (GLOBUL) (5)	Services Company	Bulgaria	100%	100%

(1) COSMOS-ALBANIA S.A., with the common use title of COSMO-HOLDING ALBANIA (“CHA”) holds 85% of the share capital of Albania Mobile Communications Sh.a (“AMC”). The remaining share capital of AMC is owned by the Albanian State with percentage of 12,68% and by third parties with a percentage of 2,32%. COSMOTE participates in CHA with a percentage of 97%, while the Norwich company Telenor Mobile Communications A.S. owns the remaining 3%.

(2) Through the acquisition of the shares of the Dutch holding company OTE MTS HOLDING BV, COSMOTE acquired the 100% of the shares of the mobile telecommunication company, COSMOFON MOBILE TELECOMMUNICATIONS AD-Skopje (“COSMOFON”) in FYROM.

(3) The Cypriot limited liability company COSMOHOLDING CYPRUS LIMITED was incorporated by COSMOTE on 29 August 2006, as holding company, in order to acquire the 42% of the shares of GERMANOS S.A. and to submit a public tender offer for a percentage up to 100% of the shares of GERMANOS S.A. (see par. 16.1).

(4) In July 2005, the 70% of the mobile telecommunication company S.C. COSMOTE ROMANIAN MOBILE TELECOMMUNICATIONS S.A (“COSMOTE ROMANIA”) was acquired.

(5) In August 2005 the 100% of the shares of the mobile telecommunications company, COSMOBULGARIA MOBILE EAD (“GLOBUL”) was acquired.

The Company’s and Group’s employees at 30 September 2006 amounted to approximately 2,196 and 4,677 respectively.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

2. Basis of preparation of Financial Statements

The attached Parent and Consolidated Financial Statements (hereinafter referred to as the “Financial Statements”) have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” and have been prepared on the historical cost basis, except for the valuation of various assets and liabilities which are at their fair value.

3. Significant Accounting Policies

3.1 General

The accounting policies and the valuation methods are the same with those adopted and followed for the preparation of the published Financial Statements as of 31 December 2005.

The attached Consolidated Financial Statements include the financial statements of COSMOTE as well as the statements of the companies that are mentioned to the note 1 except of COSMO-ONE HELLAS MARKET SIGHT S.A. and COSMO-MEGALA KATASTIMATA S.A. which are included to the Consolidated Financial Statements using the net-equity method.

It is noted that these Financial Statements have been prepared in accordance with IAS 34, they do not include all of the information required for full annual financial statements and should be read in conjunction with the published financial statements of the Group for the year ended 31 December 2005, that have been posted on the Internet at the website address, www.cosmote.gr.

3.2 New Accounting Standards and Interpretations of I.G.C.F.S.

The adoption by the European Union, by 31 December 2006, of new standards and interpretations and amendments which is probable to be issued within the year, by the International Accounting Standards Board (IASB) and their mandatory or voluntary adoption for periods beginning after 1 January 2006, may retrospectively affect the period that these Interim Financial Statements present.

4. Operating revenues

The analysis of Operating Revenues is as follows:

	THE GROUP				THE COMPANY			
	01/01/06- 30/09/06	01/07/06- 30/09/06	01/01/05- 30/09/05	01/07/05- 30/09/05	01/01/06- 30/09/06	01/07/06- 30/09/06	01/01/05- 30/09/05	01/07/05- 30/09/05
Monthly service fees	357,386	125,069	251,023	95,308	297,622	103,776	238,192	83,463
Airtime	648,966	241,193	517,496	200,082	456,610	167,698	433,747	156,463
Interconnection	401,193	136,024	340,002	131,718	296,109	97,211	295,108	105,960
Roaming	59,704	36,053	43,447	28,929	38,845	24,933	34,764	21,721
SMS	107,801	34,370	99,599	34,247	90,445	28,176	93,198	30,100
Sales of handsets & accessories	52,405	20,076	29,005	9,512	29,371	11,403	25,560	5,960
Other revenues	3,104	695	11,744	1,296	9,010	2,379	17,985	5,621
Total Revenue	1,630,559	593,480	1,292,316	501,092	1,218,012	435,576	1,138,554	409,288

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

5. Analysis of expenses**5.1 Operating expenses**

The analysis of Operating Expenses is as follows:

	THE GROUP				THE COMPANY			
	01/01/06 - 30/09/06	01/07/06 - 30/09/06	01/01/05 - -30/09/05	01/07/05 - -30/09/05	01/01/06 - 30/09/06	01/07/06 - 30/09/06	01/01/05 - 30/09/05	01/07/05 - 30/09/05
Interconnection charges	(318,424)	(110,228)	(255,680)	(98,611)	(250,633)	(84,355)	(229,857)	(83,359)
Distribution expenses	(325,097)	(115,433)	(238,039)	(86,417)	(234,385)	(80,673)	(225,958)	(78,030)
Depreciation	(225,546)	(76,515)	(171,394)	(69,001)	(128,259)	(42,878)	(139,028)	(47,350)
Network operating expenses	(126,551)	(43,738)	(83,972)	(36,768)	(67,199)	(22,694)	(63,475)	(22,655)
Payroll and related cost	(99,652)	(33,781)	(69,304)	(25,822)	(69,167)	(22,779)	(63,898)	(21,983)
Cost of goods sold	(47,685)	(19,076)	(27,002)	(10,679)	(24,430)	(9,761)	(22,005)	(5,642)
Data (content) services	(16,173)	(5,253)	(15,085)	(5,338)	(13,888)	(4,529)	(15,018)	(5,271)
Provision of bad debt	(13,523)	(4,745)	(6,645)	(2,040)	(7,209)	(2,388)	(6,301)	(2,259)
Other expenses	(40,305)	(12,663)	(26,887)	(11,430)	(25,106)	(7,264)	(21,431)	(7,262)
Total	(1,212,956)	(421,432)	(894,008)	(346,106)	(820,276)	(277,321)	(786,971)	(273,811)

Adjustments have been made on certain accounts as of September 30, 2005 for comparative reasons.

5.2 Other revenues-expenses

Other Revenues-Expenses are analyzed as follows:

	THE GROUP				THE COMPANY			
	01/01/06 - 30/09/06	01/07/06 - 30/09/06	01/01/05 - 30/09/05	01/07/05 - 30/09/05	01/01/06 - 30/09/06	01/07/06 - 30/09/06	01/01/05 - 30/09/05	01/07/05 - 30/09/05
Foreign exchange differences								
Gains	6,581	652	1,662	1,565	202	(611)	141	44
Loss	(8,280)	(584)	(5,381)	(5,327)	(116)	(14)	(673)	(441)
Total	(1,699)	68	(3,719)	(3,762)	86	(625)	(532)	(397)
Penalties	(1,541)	(170)	(543)	625	(1,490)	(156)	(543)	623
Other expenses	(1,858)	(820)	(2,058)	(1,736)	(171)	(76)	(18)	44
Other revenues	1,484	707	188	(206)	179	25	188	(106)
Total	(1,915)	(283)	(2,413)	(1,317)	(1,482)	(207)	(373)	561
Total Expenses	(11,679)	(1,574)	(7,982)	(6,438)	(1,777)	(246)	(1,234)	226
Total Revenues	8,065	1,359	1,850	1,359	381	(586)	329	(62)
Total	(3,614)	(215)	(6,132)	(5,079)	(1,396)	(832)	(905)	164

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

5.3 Financial revenues-expenses

The analysis of the Financial Revenues-Expenses is as follows:

	THE GROUP				THE COMPANY			
	01/01/06 - 30/09/06	01/07/06 - 30/09/06	01/01/05 - 30/09/05	01/07/05 - 30/09/05	01/01/06 - 30/09/06	01/07/06 - 30/09/06	01/01/05 - 30/09/05	01/07/05 - 30/09/05
Financial expenses and interest								
Interest expense	(38,844)	(14,792)	(14,981)	(9,025)	(27,941)	(11,865)	(12,076)	(6,200)
Other financial expenses	(843)	(450)	-	396	(307)	(286)	-	-
Total of financial expenses	(39,687)	(15,242)	(14,981)	(8,629)	(28,248)	(12,151)	(12,076)	(6,200)
Financial revenues								
Interest income	7,053	2,314	5,328	2,582	6,013	2,358	3,558	1,370
Dividends and other	4,403	4,403	200	-	4,403	4,403	10,516	(144)
Total financial revenues	11,456	6,717	5,528	2,582	10,416	6,761	14,074	1,226
Financial Revenues/(Expenses) net	(28,231)	(8,525)	(9,453)	(6,047)	(17,832)	(5,390)	1,998	(4,974)

5.4 Income tax

5.4.1 Greek companies

In accordance with the provision of Greek tax law, the income tax rate applicable to companies up to 31 December 2005, was 32%. In accordance with the Law 3296/2004 the income tax rate decreases to 29% for the fiscal year 2006 and will further decrease to 25% for the fiscal year 2007 and onwards.

Greek tax legislation and relevant regulation are subject to interpretations by the tax authorities. Tax returns are filed annually to the tax authorities but the profits or losses declared for tax purposes remain provisional until the time when the tax authorities examine the returns and the books of the taxpayer and based on that examination a final assessment is issued. Tax losses, to the extent they are recognized by the tax authorities, may be used to set-off profits of the following five fiscal years.

COSMOTE has not been audited by the tax authorities for the fiscal years 2004 to 2005 and for the nine months period ended 30 September 2006. Consequently, the Company's tax liabilities for the unaudited tax years and for the period ended 30 September 2006, have not yet been finalized.

COSMOTE's subsidiary in Greece, CHA, has not been audited since its incorporation.

5.4.2 Tax liabilities of the subsidiaries in abroad

The following subsidiaries have not been audited by the tax authorities for the following years and consequently their tax liabilities for these years have not yet been finalized.

<u>Company's name</u>	<u>Unaudited tax years</u>
AMC	2002-2005
COSMOTE ROMANIA	2004-2005
COSMOFON	2001-2005
GLOBUL	2005
OTE MTS HOLDING BV	2001-2005
COSMOHOLDING CYPRUS LTD	2006

It should be noted that the period between 01/01/2006 to 30/09/2006 is also unaudited by the tax authorities for the abovementioned companies. It is also noted that AMC is under the audit process by the tax authorities for the fiscal years 2002 to 2005, which is expected to be completed by the end of September 2006.

For the unaudited tax years, there is a possibility of additional taxes' imposition, at the time that they will be examined by the tax authorities and their tax liabilities will be finalized.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

5.4.3 Income tax provision

The provision for income taxes which has been charged in the Income Statement has as follows:

	THE GROUP				THE COMPANY			
	01/01/06- 30/09/06	01/07/06- 30/09/06	01/01/05- 30/09/05	01/07/05- 30/09/05	01/01/06- 30/09/06	01/07/06- 30/09/06	01/01/05- 30/09/05	01/07/05- 30/09/05
Current income tax	(119,807)	(47,205)	(129,241)	(47,974)	(106,923)	(41,265)	(116,561)	(43,116)
Deferred income tax	(5,469)	(2,758)	4,620	(1)	(3,947)	(2,797)	1,736	1,789
Total	(125,276)	(49,963)	(124,621)	(47,975)	(110,870)	(44,062)	(114,825)	(41,327)

6. Financial investments

On 7 September 2006 COSMOTE Romanian Mobile Telecommunications S.A. bought a financial derivative of nominal value EURO 50,000 at marker price of 97.70% or EURO 48,850 from EFG Hellas plc. At the end of the derivative's duration, (07/03/2007), an amount of EURO 50,000 shall be given to the Company, if the exchange ratio of EURO to RON does not reach 3,9 during the period from 24/08/2006 to the derivative's expiration. In the opposite scenario the bank institution shall choose whether to give back EURO 50,000 or RON 177,500. During the period 24/08/2006-30/09/2006 the exchange ratio of EURO to RON has not exceeded 3,9. The present value of the derivative amounts to EURO 49,044.

7. Non current assets for sale

The Company, during the second quarter of 2006, purchased 11,729,103 shares of GERMANOS S.A., through the Athens Stock Exchange. These stocks represent a 14.37% stake of the share capital of GERMANOS S.A.. On 4 August 2006, additional 5,200,000 shares of GERMANOS S.A., were acquired through the Athens Stock Exchange, representing a 6.38% stake of the company at an average acquisition price of EURO 18.996 (absolute figure). As a result, the total percentage of the direct shareholding of the Company in the share capital of GERMANOS S.A., as of 30/09/2006 represents 20.75% and amounts to 321,589. The Company shall offer all of these shares for a price of EURO 19 (absolute figure) per share to its subsidiary, COSMOHOLDING CYPRUS LIMITED, within the frame of the Public Tender Offer has been launched by the latter (please see note 20.2). In a consolidated level, the amount of EURO 321,589 appears as financial investments in non current assets since, until 30/09/2006, the Company had not participated to the management of GERMANOS S.A..

8. Segment Information

The following information refers to the segments of the Group which should be reported separately in the Financial Statements.

Segments are determined based on Group's structure based on the system of which the financial decision makers review the financial information, of the parent company and each of its subsidiaries, which are included in the consolidated financial statements.

Using the quantitative criteria set by the related Standard, COSMOTE and the rest of the subsidiaries which are activated in the Balkans, have been defined as segments, that must be presented separately in the Financial Statements.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

Accounting policies of the segments are the same with those followed for the preparation of the Annual Financial Statements. Management evaluates the effect of the segments based on operating and net result.

Information concerning the segments and the reconciliation with the Group' s consolidated financial statements are as follows:

30/09/2006	GREECE	ALBANIA	BULGARIA	ROMANIA	FYROM	Total	Consolidation entries	GROUP
Operating revenues	1,207,098	109,763	248,090	26,248	39,360	1,630,559	-	1,630,559
Intercompany sales	10,914	381	871	280	164	12,610	(12,610)	-
Operating expenses	(820,284)	(63,032)	(206,154)	(91,584)	(42,542)	(1,223,596)	10,640	(1,212,956)
Financial and other revenues / (expenses)	(19,226)	1,664	(11,143)	(1,098)	(1,717)	(31,520)	(325)	(31,845)
Gains/(losses) of the period before tax	378,502	48,776	31,664	(66,154)	(4,735)	388,053	(2,295)	385,758
Gains/(losses) after tax attributable to Parent company	271,053	29,718	26,464	(46,308)	(4,735)	276,192	(2,295)	273,897

30/09/2005	GREECE	ALBANIA	BULGARIA	ROMANIA	FYROM	Total	Consolidation entries	GROUP
Operating revenues	1,129,120	102,079	53,681	1,569	5,867	1,292,316	-	1,292,316
Intercompany sales	9,434	109	52	5	70	9,670	(9,670)	-
Operating expenses	(787,145)	(57,033)	(39,681)	(8,242)	(6,594)	(898,695)	9,801	(888,894)
Financial and other revenues / (expenses)	1,267	603	(2,284)	(4,508)	(359)	(5,281)	(15,418)	(20,699)
Gain/(losses) of the period before tax	352,676	45,758	11,768	(11,176)	(1,016)	398,010	(15,287)	382,723
Gains/(losses) after tax attributable to Parent company	241,439	26,563	10,322	(7,823)	(1,016)	269,485	(14,220)	255,265

9. Earnings, after Income taxes, per share

The earnings, after Income taxes, per share are calculated by dividing the profit attributable to the Shareholders of the Company by the weighted average number of issued and outstanding shares during the period.

The earnings, after income taxes, per share are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/09/2006	30/09/2005	30/09/2006	30/09/2005
Profits distributed to the shareholders of the parent company	273,897	255,265	267,638	237,851
Weighted average number of shares outstanding (in thousands)	333,568	332,290	333,568	332,290
Basic earnings per share (absolute figure)	<u>0.82</u>	<u>0.77</u>	<u>0.80</u>	<u>0.72</u>
Diluted earnings per share (absolute figure)	<u>0.82</u>	<u>0.77</u>	<u>0.80</u>	<u>0.72</u>

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

10. Transactions with related companies

Related parties of the Group, are considered COSMOTE, the subsidiaries, the associated Companies, and their executive directors. The related parties are companies with common shareholding structure and/or management.

The Company purchases goods and services from affiliated entities while sells goods and provides services to them.

Sales of goods to related companies related mainly to merchandise sales (e.g. COSMOKARTA, air time cards, SIM cards) etc. The prices are determined on the basis of cost plus profit. The services sales related mainly to interconnection, technical and personnel allowance, leased lines, renting, roaming services etc.

Rendered services from related parties are on the basis of cost plus profit and are mainly related to interconnection services and building rents, leased lines, receiving and printing bills, sales commissions etc.

At the below table, there is an analysis of the receivables and payables at September 30, 2006 and December 31, 2005 respectively.

	THE GROUP		THE COMPANY	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
Receivables from:				
OTE	3,946	10,725	-	10,725
COSMOFON	-	-	7,082	5,018
COSMOTE ROMANIA	-	-	168,390*	3,529
AMC	-	-	3,057	2,685
GLOBUL	-	-	2,855	13
CHA	-	-	632	634
ROM TELECOM	-	520	-	-
TELECOM SERBIA	444	-	-	-
OTE GLOBE	5,897	5,947	-	-
Other	339	495	661	447
Total	10,626	17,687	182,677	23,051
Payables to:				
HELLASCOM	523	1,275	-	-
ROM TELECOM	-	765	-	-
OTENET	153	194	153	194
OTE ESTATE	95	227	95	227
OTE Plc	15,305	6,642	10,004	4,127
OTE	10,256	541	8,520	-
OTE GLOBE	193	911	47	3
AMC	-	-	-	894
OTE INTERNATIONAL INVESTMENTS	-	731	-	-
Other	130	962	154	243
Total	26,655	12,248	18,973	5,688

*In this amount is included borrowing with total amount EURO 160,000 (please see below, appendix with borrowing liabilities). On July, 2006 Cosmote granted to Cosmote Romania a loan of EURO 160,000 which will be fully repaid on 07/02/2007. The rate is calculated by using the Euribor rate increased with margin of 1%. The purpose of the loan is to finance the subsidiary's investing program.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

The loans payable to related companies at 30 September 2006 are as follows:

BORROWER	LENDER					
	AMC	OTE Plc	OTE INTERNATIONAL	OTE	COSMOTE	TOTAL
COSMOTE	49,700	1,149,056	-	-	-	1,198,756
GLOBUL	-	200,000	-	-	-	200,000
COSMOTE ROMANIA	-	-	16,000	-	160,000	176,000
OTE MTS HOLDING BV	-	-	-	-	150	150
COSMOFON	-	-	-	56,200	-	56,200
Total	49,700	1,349,056	16,000	56,200	160,150	1,631,106
Elimination of loans	(49,700)	-	-	-	(160,150)	(209,850)
Group' s Total (Note 17)	-	1,349,056	16,000	56,200	-	1,421,256

Related parties transactions, during the periods, are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/09/2006	30/09/2005	30/09/2006	30/09/2005
Revenues				
Interconnection fees	112,353	113,815	93,644	104,752
Sales of prepaid airtime cards and SIM cards	11,775	10,429	11,775	12,249
Management fees	-	9,005	8,500	11,881
Sales of prepaid packages and handsets	2,065	5,286	4,532	7,105
Interest expenses	-	-	1,156	-
Other	1,882	1,362	2,556	757
Total	128,075	139,897	122,163	136,744
	THE GROUP		THE COMPANY	
	30/09/2006	30/09/2005	30/09/2006	30/09/2005
Expenses				
Subscribers' commissions	(56,808)	(58,669)	(56,124)	(58,664)
Interconnection charges	(20,491)	(23,274)	(18,643)	(20,791)
Leased lines	(24,296)	(21,090)	(17,556)	(17,325)
Enveloping, postage and collection of accounts receivables	(11,618)	(12,479)	(11,611)	(12,479)
Network expenses	(3,176)	(3,001)	(2,999)	(3,001)
Rents	(5,278)	(3,965)	(5,025)	(3,965)
Interest expenses	(35,408)	(15,888)	(25,555)	(4,725)
Payroll expenses	(3,486)	(4,647)	(3,486)	(3,907)
Other	(1,222)	(2,475)	(2,130)	(1,772)
Total	(161,783)	(145,488)	(143,129)	(126,629)

Fees paid to the members of the Board of Directors of the Group which have been charged to the Income Statement of the nine months period ended 30 September 2006 amounted to EURO 149, of which EURO 88 are related to the Company.

Respectively fees paid to the General Managers of the Company for the same period, amount to EURO 2,103, while fees paid to General Managers of the subsidiaries amount to EURO 4,444.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

It is noted that with the decision of the Company's 9th Annual General Shareholders' Meeting that took place in 9 June 2006, a new Board of Directors was elected due to expiration of services of the previous one. The composition of the new Board of Directors is as follows:

P. Vourloumis	Chairman, non executive member of BOD
K. Apostolidis	Vice President, independent non executive member of BOD
E. Martigopoulos	Managing Director, executive member of BOD
J. Vezanis	Independent non executive member of BOD
E. Despotou	Non executive member of BOD
G. Ioannides	Non executive member of BOD
G. Maurakis	Non executive member of BOD
C. Oikonomou	Non executive member of BOD
J. Sarantitis	Non executive member of BOD

The services of the above mentioned Board of Directors expire on 8 June 2009.

11. Property, plant, equipment and telecommunications licences

The net additions of the nine months period ended 30 September 2006, are as follows:

	THE GROUP	THE COMPANY
Acquisition cost 31/12/2005	3,042,477	1,755,148
Additions	295,390	79,570
Disposals	(2,814)	(1,956)
Exchange differences	12,815	-
Acquisition cost 30/09/2006	3,347,868	1,832,762
Accumulated depreciations 31/12/2005:	1,188,216	794,045
Depreciations of the period	225,546	128,259
Depreciations of the disposed assets	(2,026)	(1,722)
Exchange differences	5,542	-
Accumulated depreciations 30/09/2006	1,417,278	920,582
Net value		
Property, plant, equipment	1,547,931	698,682
Telecommunications licences	382,659	213,498
	1,930,590	912,180

It is noted that the additions concerning the Group, have been calculated using the average exchange rates of the period.

The net additions of the Group, for the nine months period ended 30 September 2006, per subsidiary, are as follows:

COSMOTE ROMANIA	118,937
AMC	18,652
GLOBUL	66,178
COSMOFON	11,195
COSMOTE	77,614
Total	292,576

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

12. Other current assets

Other Current Assets are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
Advance payments to third parties	34,067	17,578	24,859	14,598
VAT receivable	10,126	13,367	-	-
Accrued income	551	586	551	253
Advance for income tax	3,999	3,999	-	-
Other receivable	2,513	1,486	663	2,221
	51,256	37,016	26,073	17,072

13. Share Capital –Share premium reserve

On 31 December 2005, the Company's Share Capital amounted to EURO 156,264, divided in 332,476,500 registered shares, with nominal value of EURO 0.47 (amount in EURO) each.

Based on the Board of Directors decision, by the nine month period, that ended on 30 September 2006, the Company's share capital was increased by EURO 569 with the deposit of cash and with the issue of 1,211,610 new registered shares, with nominal value of EURO 0.47 (amount in EURO) each, due to the stock options plan in accordance with art. 13 par. 9 of the CL 2190/1920.

Therefore, subsequent to the above mentioned increase and the full payment of the share capital the total paid in share capital of the Company on 30 September 2006 is 156,833 divided in 333,688,110 registered shares, with nominal value of EURO 0.47 (amount in EURO) each.

The share premium reserve increased by EURO 12,230 due to the aforementioned stock options plan.

14. Dividends

In accordance with Greek corporate law, companies are required each year to declare from profits, dividends of at least 35% of after-tax profit, after allowing for legal reserve, or a minimum of 6% of the paid-in share capital, whichever is greater.

The holders of shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

According to the decision of the Company's 9th Annual General Shareholders' Meeting, which took place on 9 June 2006, the Company distributed dividends of the year 2005 results, amounted to EURO 216,896 (EURO 0.65 per share in absolute figure).

15. Legal reserve

The General Shareholders' Meeting of COSMOTE ROMANIA, that took place on 30 May 2006, approved the creation of a legal reserve amount to EURO 2,434.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

16. Investments

The company's investments are analyzed as follows :

	<u>30/09/2006</u>	<u>31/12/2005</u>
COSMOTE ROMANIA	121,834	121,834
COSMOBULGARIA	402,282	402,282
OTE MTS HOLDING B.V.	91,233	91,233
COSMOHOLDING ALBANIA	91,672	91,672
COSMO-ONE HELLAS MARKET SITE S.A.	528	528
COSMO-MEGALA KATASTIMA S.A.	234	234
COSMOHOLDING CYPRUS LTD (note 16.1)	653,746	-
	<u>1,361,529</u>	<u>707,783</u>

At a Group level, the investments are related to COSMO-ONE HELLAS MARKET SITE S.A. and to COSMO-MEGALA KATASTIMATA S.A. and are valued with the equity method.

16.1 Subsidiary's establishment in Cyprus

On 29 August 2006, COSMOTE founded its 100% subsidiary in Cyprus, a holding company with the trade name COSMOHOLDING CYPRUS LIMITED ("COSMOHOLDING CYPRUS") which on 02/10/2006 acquired a stake of 42% of GERMANOS S.A. and submitted a public tender offer for the acquisition of the outstanding shares of GERMANOS S.A. ("PTO").

The authorized nominal share capital of COSMOHOLDING CYPRUS amounts to EURO 100,000 (absolute figure) and is divided into 900 registered shares of Class A, with a nominal value of EURO 100 (absolute figure) each, which have been issued and subscribed by COSMOTE and 100 registered shares of Class B, with a nominal value of EURO 100 (absolute figure) each, which will be issued and subscribed by Mr. Panos Germanos or a company totally controlled by him within 10 business days from the completion of the PTO .

According to the shareholders agreement between COSMOTE and Mr. Panos Germanos following completion of the PTO (please see note 20.2) Mr. Panos Germanos shall participate in the share capital of COSMOHOLDING CYPRUS with a stake of 10% for a period of 3-5 years, by investing the amount of EURO 144,500. COSMOTE has guaranteed as principal obligor towards Mr. Panos Germanos the fulfilment of COSMOHOLDING CYPRUS' obligations.

On 30 September 2006, the equity of COSMOHOLDING CYPRUS amounts to EUR 652,000 and it will further increase according to the number of GERMANOS S.A. shares that will be offered to COSMOHOLDING CYPRUS within the framework of the PTO, in order for the latter to duly perform its obligations with respect to the payment of the price to the shareholders which will accept the offer.

The above mentioned participation was financed through borrowing.

At a Group level, the acquisition of COSMOHOLDING CYPRUS contributed in the increase of the cash flows up to EURO 652,000.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

17. Interest borrowings

Interest borrowings as presented to the Financial Statements, are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
Long-term borrowings	805,942	1,124,059	548,756	837,579
Short-term borrowings	1,540,884	201,192	1,520,873	201,000
Total borrowings	2,346,826	1,325,251	2,069,629	1,038,579
Borrowings from related companies (Note 10)	1,421,256	1,249,879	1,198,756	1,038,579
Borrowings from third parties	925,570	75,372	870,873	-
Total	2,346,826	1,325,251	2,069,629	1,038,579

The movement of the Group's borrowings for the nine months period ended 30 September 2006, is as follows:

Group's balance as of 31/12/2005	1,325,251
Additions of new borrowings	1,033,000
Borrowings' expenses	(2,192)
Additions of subsidiaries' new borrowings	11,235
Payments of subsidiaries' borrowings	(20,468)
Group's balance as of 30/09/2006	2,346,826

The Short term borrowings as of 30 September 2006 are as follows:

	THE GROUP	THE COMPANY
Company's short term payable of long term borrowings	490,000	490,000
Company's new borrowings	1,030,873	1,030,873
Subsidiaries' short term payable of long term borrowings	20,011	-
Total	1,540,884	1,520,873

On 3 August 2006, COSMOTE signed in London an agreement for the issuance of a bond loan according to L.3156/2003 with the banks JP MORGAN and CITIGROUP as arrangers, for an amount of up to EURO 1,5 billion (absolute figure) for the bridge financing of the acquisition of GERMANOS S.A.. OTE S.A. has guaranteed the bond. The bond has a maximum duration of 12 months with possibility of prepayment and (under certain conditions) mandatory prepayment from COSMOTE. Under the above bond, on 7 August 2006 COSMOTE has received the amount of EURO 870,874.

Furthermore, on 16 June 2006, COSMOTE signed an agreement for the issuance of a bond loan to be subscribed by OTE's 100% subsidiary company, OTE plc, for covering financial needs of the Company.

18. Other long term liabilities

	THE GROUP		THE COMPANY	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
Current portion of 3G license (present value)	15,437	14,737	15,438	14,737
Asset retirement obligations	4,920	4,456	3,316	3,072
Valuation of swap (A)	27,815	-	27,815	-
Other	374	92	-	-
Total	48,546	19,285	46,569	17,809

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

(A) On 7 April 2006 the Company made a derivative agreement (interest rate swap) for the hedging of risks arising from its borrowings due to fluctuations of EURIBOR rate. The swap concerns the EURIBOR rate for borrowings of EURO 200,000. For the valuation of the swap the hedging accounting was used and consequently the Net Equity was reduced by EURO 27,815.

19. Other current liabilities

Other current liabilities are analyzed as follows:

	THE GROUP		THE COMPANY	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
Taxes	24,860	23,340	21,014	21,872
Unbilled revenues	40,753	35,515	24,755	20,008
Customers' guarantees	6,481	5,814	3,281	3,248
Social security	3,007	5,116	2,354	4,675
Dividends payable	1,249	1,084	1,070	583
Other debtors	19,599	10,282	11,896	6,054
Total	95,949	81,151	64,370	56,440

20. Subsequent events

20.1 Acquisition of a higher stake in GERMANOS S.A.

On 2 October 2006, COSMOTE acquired through its newly established for this purpose, Cypriot subsidiary COSMOHOLDING CYPRUS (please see note 16.1) a stake of 42% in the share capital of GERMANOS S.A, owned by Mr. Panos Germanos and other shareholders at the price of EURO 19 (absolute figure) per share according to the share purchase agreements dated 09/05/2006 with the above mentioned shareholders.

Before the above mentioned acquisition, COSMOTE had received the unconditionally approvals of the competition authorities of Bulgaria, FYROM, Ukraine, Romania, as well as the approval of the Telecommunications and Post Commission (NTPC) subject to specific conditions that relate to issues of confidentiality, non-discriminatory treatment of competitors and maintenance of the brand name "GERMANOS" for as long as agreements between GERMANOS S.A. and OTE Group's competitors are still valid, issues of maintaining separate price lists for each of COSMOTE' s products, the offering of segregated COSMOTE' s products and services and finally issues relating to NTPC's right to evaluate and verify the adherence to these conditions anytime, to review the impact of the concentration on the specific markets and to impose additional conditions in the future.

Upon settlement of the relevant trade, which took place on October 3rd, COSMOTE' s direct and indirect shareholding in GERMANOS S.A. will be 62.75%, as COSMOTE had already acquired a 20.75% stake through the Stock Exchange (please see note 7).

At the completion of the transaction, the activities of GERMANOS S.A. that would not be core to the future of the Company had already been transferred to Mr Panos Germanos and/or companies controlled by him, following the approvals received by the General Meetings of GERMANOS' S.A. shareholders.

Moreover, on the same date as per above, COSMOHOLDING CYPRUS acquired all the portions of the Greek limited liability company under the name "MOBILBEEEP TELECOMMUNICATIONS LIMITED LIABILITY COMPANY".

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

20.2 Announcement of the submission of a Public Tender Offer for the acquisition of GERMANOS' S.A. shares

On 20 October 2006 and following the acquisition of 42% of GERMANOS S.A., the 100% subsidiary of COSMOTE, the Cypriot holding company COSMOHOLDING CYPRUS LTD announced the submission of a Public Tender Offer for the acquisition of all the remaining shares of GERMANOS S.A. for a price of EURO 19 (absolute figure) per share. The remaining shares amounted as of the above date to 47,313,790 shares (which include the 16,929,103 shares held directly by COSMOTE) representing in total 58% of the share capital and voting rights of GERMANOS S.A.

In this respect, COSMOHOLDING CYPRUS filed a draft Information Circular with the Hellenic Capital Markets Commission (HCMC), for its approval. The dates of the acceptance period (i.e. the period during which GERMANOS' S.A. shareholders may accept the Offer) will be determined after the HCMC has approved the Information Circular.

20.3 Loan Agreement with Globul

On 6 October 2006, the Company signed with its 100% Bulgarian subsidiary, Globul, a loan agreement for the granting to the latter of an amount of EURO 20,000 with a duration of one year and interest rate calculated over EURIBOR, plus a margin of 0.50%. The proceeds of the loan shall be used for refinancing partially the existing loans of Globul.

20.4 Approval of issuance of a Bond loan to be subscribed by OTE plc.

On 6 November 2006, the Board of Directors of the Company approved the issuance of a bond loan of an amount of EURO 500,000 and with a duration of five years, which shall be issued within November and shall be totally subscribed by the subsidiary of OTE, OTE Plc. The loan will be used for the refinancing of the existing loan obligations of COSMOTE towards OTE Plc amounting to EURO 650,000 and expiring soon (November 2006-February 2007).

20.5 Participation of COSMOTE ROMANIA to a tender for the granting of a 3G License in Romania

On 13 October 2006, the Romanian General Inspectorate for Communications and Information Technology (IGCTI) announced the result of the selection process for the award of two 3G licenses in Romania, according to which COSMOTE ROMANIA has not been awarded a license. On 20 October 2006 COSMOTE ROMANIA appealed before the IGCTI and requested the cancellation of the above mentioned decision, which request was not accepted. On 6 November 2006, COSMOTE ROMANIA submitted a recourse before the competent Romanian Courts requesting the cancellation of the above decision.

20.6. Launch of a bid for the granting of a third mobile licence in FYROM

On 31 October 2006, the Regulatory Authority of FYROM launched a bid for the granting of a third mobile licence in FYROM. According to the Regulatory Authority's announcement, the process will last until 15 January 2007 and the successful bidder shall be required to launch until the end of August 2007.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006
(In thousands of Euro, unless otherwise is stated)

21. Commitments and Contingent Liabilities

The most significant commitments of the Group as at 30 September 2006 are the following:

21.1 Licenses terms

There are no important changes for the nine months period ended 30 September 2006 in relation with those reported in the published Financial Statements as of 31 December 2005.

21.2 Capital commitments

The Group has a number of outstanding capital commitments on supplier contracts, which on 30 September 2006, amounted to approximately EURO 48,000, as well as a number of lease agreements relating to the rental of buildings sites, whose future payments amounted to approximately EURO 125,000.

21.3 Tax issues

As mentioned in note 5.4, the Company and its subsidiaries have not been audited by the tax authorities for various fiscal years and for the period ended 30 September 2006. Consequently their tax liabilities for these unaudited years and for the period ended 30 September 2006 have not yet been finalized.

22. Financial Instruments

22.1 Exchange risks

Group operates in Greece and in other countries in Balkan so there is an exchange risk, which derives from the translation of the related foreign currencies to EURO. The risk related to the borrowings of the Group is not considered significant for the Group's as the Company's liabilities are mainly related to EURO.

22.2 Credit risks

The Group has a clearly defined credit policy, which is followed consistently. Furthermore, due to the spreading of the Group's customers, the exposure to credit risks is limited as far as these receivables are concerned.

22.3 Interest rate risks

Most of the Group's interest-bearing receivables and liabilities are related to floated rates, which are adjusted in the conditions of the market.(see note 18A).

22.4 Liquidity risk

Liquidity risk is maintained in low levels due to the availability of cash and cash equivalents and the credit limits.

23. Encumbrances

There are not mortgages and registrations of future mortgages or encumbrances of any other kind on the Group's fixed assets.

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

24. Litigation

With regard to the most significant disputes of COSMOTE and its subsidiaries at 30/09/2006, the disputes, which are included in the notes of the Financial Statements at 31 December 2005 are in effect, with the sole exceptions of the following:

24.1 COSMOTE

24.1.1 NTPC has notified to COSMOTE the no. 13542/F391/12.05.05 Transaction of Hearing Procedure with which, after the relevant demand of the Minister of Development, has called COSMOTE as well as TIM and VODAFONE on a hearing on 18 May 2005, to investigate whether the announced increases on tariffs for the SMS¹ are contrary to the provisions of telecommunication law and the law for the protection of free competition. The hearing has been held on 23 May 2005. A new hearing took place on 3 November 2005 due to the change of the members of NTPC. NTPC issued a decision that imposed a fine of EURO 1,000 to each company for violation of competition law. On 17 April 2006, COSMOTE appealed to the Athens' Administrative Court of Appeal against the decision of NTPC. The hearing has been set for 27 September 2006, but it was postponed for 16/05/2007.

24.1.2. On 06 November 2001 a claim for damages was served to COSMOTE, which was brought on 28 October 2001 before the Court of First Instance of Athens by the Monastery of Prophet Iliia (Santorini) against COSMOTE and OTE. The claim concerned damages at the monastery due to the installation of the base station for EURO 1,760. The Monastery limited its claim to EURO 1,051 with its motions on 20 January 2003. The case has been discussed on 01 June 2006 and the issuance of the decision is still pending.

24.1.3. On 27 September 2006 an action was served to COSMOTE which was brought on the 14 June 2006 against COSMOTE by 272 persons and the Municipality of Triglia Chalkidiki. The claim is for EURO 25 for each one of the 272 persons and EURO 200 for the Municipality of Triglia Chalkidiki as compensation due to moral damage resulting from the installation of the base station. The date of hearing is on 11/03/2008.

24.1.4 On 18 October 2005 a claim of damages was served to COSMOTE, which was brought on 15/09/2005 before the Court of First Instance of Athens by 20 civilians against COSMOTE, TIM and the lessors of the area that the base station was installed. The claim is for EURO 300 per each claimant/civilian as compensation due to moral damages resulting from the installation of the above base station. The date of hearing was on 02/11/2006. The hearing was postponed for 15/11/2007 following a request of the plaintiffs.

24.1.5 The Company has filed a petition of annulment before the Council of State, against the resolution of NTPC number 275/72B/07.02.2003, pursuant to which the Company was nominated as an Organization with Significant Market Power (SMP) in the national interconnection market. The annulment petition has been discussed on 13 June 2006 by a seven-member panel of the Council of State, where it was proposed to refer the case for trial before the Administrative Appellate Court (according to the new law 3431/2006 published in February 2006, the Administrative Appellate Court of Athens is competent for the appeals against NTPC' decisions). The case is still pending.

24.2 AMC

24.2.1. On 26 April 2006, the Regulatory Authority of Albania issued the no.286/26.4.2006 decision according to which AMC was designated as operator with significant market power in the call termination market and in the mobile telephony market for the period from 1 May 2006 to

¹ On 14.04.2005 COSMOTE has announced its new price policy concerning the post paid subscribers, which involves among others the offer of new packages of bundled free minutes (SMS 30, SMS 60, SMS 120) and the increase of the basic price of each sms from 0,085 to 0,09 euro per sms

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

1 May 2007. According to the above Decision, the Regulatory Authority may control, among others, the call termination rates of AMC and AMC is obliged to provide to the other operators equal treatment. AMC has accepted the designation as OSMP in the call termination market, but has filed a complaint against its designation as OSMP in the mobile telephony market. The Regulatory Authority rejected AMC's claim, so subsequently AMC has filed a lawsuit before the Tirana District Court against TRE's decision.

24.2.2. In May 2004, the Regulatory Authority of Albania has suggested significant reductions of interconnection tariffs for the year 2004. AMC has presented a claim against this Decision in front of the Tirana District Court. The last hearing took place on 27 January 2006. The case was closed since the period to which the above recommendation referred to has ended. In parallel, the parties began negotiations in order to resolve amicably this dispute. In December 2004, AMC and the Albanian fixed telephony company Altelecom have come to an agreement for the tariffs applying until November 2005. In April 2006, since no agreement for the tariffs applying for 2006 had been reached, the Regulatory Authority of Albania intervened and proposed interconnections tariffs for the year 2006. AMC has finally reached an agreement with Altelecom and the Interconnection Agreement for the tariffs was signed with a duration from 01/08/2006 until 31/07/2007.

24.2.3. In May 2004, the Regulatory Authority of Albania has also declared invalid the interconnection agreements between Altelecom on the one part and AMC and Vodafone on the other part. AMC appealed the Regulatory Authority's decision in front of the Tirana District Court, which decided to declare the absolute invalidity of the above decision of TRE. TRE has presented an appeal against such decision. The hearing has been set for 12 July 2006 and again postponed for September 2006. The Court accepted the appeal and ruled that the case, for procedural reasons, should be again examined by the First Instance Court. The case is still pending.

24.2.4 On 12 December 2005 the Albanian Competition Commission imposed a fine to AMC of approximately EURO 1,400 (1% of the company's turnover for 2004) on the grounds of allegedly delaying in responding to a request for information and provision of documents. On 4 January 2006 AMC filed in front of Tirana District Court 2 (two) Law Suits versus the Competition Authority, demanding the annulment of the decision requesting information and opening of investigation procedure as well as of the decision imposing the fine, since the requested information had timely been dispatched to the Competition Authority. On 7 July 2006, the Tirana District Court decided to reject the applications of AMC and AMC presented an appeal regarding the decision imposing the fine. The case is still pending.

24.2.5. The Albanian fixed telephony company "Altelecom" owes AMC an amount EURO 39,053 for interconnection fees since January 2001. Altelecom also owes to AMC an amount of approximately EURO 10,500, due to discrepancies in measurements of interconnection fees, as well as to transit of rural operators' traffic terminated by Altelecom to AMC. According to the terms of the interconnection agreement eventual differences between the parties are solved by arbitration in front of the International Chamber of Commerce in Paris.

24.2.6 In May 2006, the Albanian Parliament decided the formation of an investigative parliamentary commission, to investigate the competition in the Albanian mobile market and the compliance to the relevant legislation by all involved parties, companies and authorities.

24.3 COSMOFON

The fixed line incumbent operator of FYROM, Maktel, has unilaterally attempted to reduce the interconnection rates for the termination of voice calls since August 2005, COSMOFON has not accepted such reductions claiming that it is not in accordance with the

COSMOTE MOBILE TELECOMMUNICATIONS S.A.

NOTES ON THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2006

(In thousands of Euro, unless otherwise is stated)

interconnection agreement in force between the parties. Since no agreement between the parties has been reached, in February 2006, COSMOFON appealed in front of the Regulatory Authority. In July 2006, the Regulatory Agency for Electronic Communications rejected COSMOFON's request in first instance. COSMOFON appealed in front of the Commission of the Agency.

24.4. GLOBUL

On 20 June 2006, the Regulatory Authority of Bulgaria designated GLOBUL as an operator with significant market power in the mobile telecommunications and services market. Following such designation and according to the legislation in force, GLOBUL has obligations for equal treatment of the other operators, transparency and confidentiality. On 11 July 2006, GLOBUL appealed the decision before the Supreme Administrative Court and the first court hearing was appointed for 27 November 2006.

GLOBUL also appealed the preliminary execution of the decision. With a court Ruling as of October 05, 2006 issued by the Supreme Administrative Court, the preliminary execution of the decision was suspended.

25. Other events

25.1 Decision by NTPC concerning the Regulation of Mobile Termination Rates

In July 2006, NTPC published a Decision designating COSMOTE, VODAFONE and the combined operator TIM-HELLAS/Q as organisations with Significant Market Power in the market for voice call termination to each of their networks. NTPC imposed regulatory obligations on each operator, including a requirement to make phased reductions in rates to reach the cost-orientated level, as defined by the LRIC cost models which NTPC had developed for each operator's network. In the case of COSMOTE, the cost-orientated rate is set at 0.1067 €/minute in June 2007, without a minimum duration charge. This means that COSMOTE, in addition to the reductions in termination rates it made on 1 June 2006 (from 0.145 €/minute to 0.12 €/minute, with a minimum duration charge of 30 seconds per call) will make further reductions in termination rates in the period from January to June 2007.

25.2 European Commission Draft Regulation concerning International Roaming Charges

In July 2006, the European Commission published a draft Regulation concerning the setting of international roaming charges within the European Union. According to European Community law, the Regulation, subject to it being approved by the relevant Community institutions, will come into immediate effect without first requiring transposition into domestic law by Member States. The Regulation would require significant reductions in roaming charges, both at the wholesale and retail levels. Wholesale reductions would come into effect immediately once the Regulation is issued, while retail reductions would occur within the succeeding 6 months. The European Commission has said that it expects the Regulation to be approved by the Summer of 2007.