

## HELLENIC COMPANY FOR TELECOMMUNICATIONS AND TELEMATIC APPLICATIONS S.A. (FORTHNET S.A.)

(Amounts in euro)

FINANCIAL DATA & INFORMATION FOR THE PERIOD (01/01/2006 - 31/12/2006)
(Published based on Corporate Law 2190, article 135 for corporations that report annual financial statements, consolidated or not, according to FFRS)

The financial data and information provided below, aim to provide a general overview **EORTHNET S.A** financial situation and results.

As a result of this, we recommend to any potential investor, that before engage in any type of investment activity or any other kind of transaction with the Company, to visit the Company's web site at the electronic address www.forthnet.gr, where all interim condensed financial statements according to IFRS as well as the Audit Review report are posted.

GENERAL INFORMATION

Technology Park of Crete - Vasilika - Voutes 710 03 - Heraklion - Crete 3446.106/195/94
Ministry of Development, Secretary of Commerce 10th March 2007
Criti Pelendridis, Stavros Saloustros
ERNST & VOUNG , SOL S.A.
Upon approval
www.fordmat.gr

Head Office:
S.A. Register:
Authority:
Date of Approval of the Annual Financial Statements:
The Certified Auditors - Accountants:
Auditing Companies:
Review Reverte:
Website:

Board of Directors: Averof loamis - Chairman, Non executive member Gonticac Constaine: Vice-chairman, Non executive member Taoritatis Pantelis - Chief Executive Officer, Executive member Stratos Isson, Non executive member Traganitis Apostolos, Non executive member Gulandris Dimitrios, Non executive member

Gulandris Dimitrios, Non executive member Koutsoudakis Georgios, Non executive member Pagiatakis Alkiviadis, Non executive member McInroy Bruce, Non executive member

ANNUAL B	ALANCE SHEET				
AUTOMA	GRO	UP	COMPANY		
	31.12.2006	31.12.2005	31.12.2006	31.12.2005	
ASSETS					
Non current assets	106.322.340	80.308.165	106.811.117	78.501.440	
Inventories	1.288.591	487.249	1.169.126	414.864	
Trade accounts receivable	30.590.574	31.463.637	28.399.734	30.971.612	
Other current assets	100.851.205	12.510.218	99.890.990	12.043.313	
TOTAL ASSETS	239.052.710	124.769.269	236.270.967	121.931.229	
EQUITY AND LIABILITIES					
Non-Current Liabilities	4.675.078	39.367.149	4.533.061	39.156.873	
Current Bank Liabilities	35.004.391	3.711.986	34.000.000	2.000.000	
Othrer Current Liabilities	47.859.269	31.354.313	46.368.165	28.904.955	
Total Liabilities (a)	87.538.738	74.433.448	84.901.226	70.061.828	
Share capital	45.478.005	20.212.447	45.478.005	20.212.447	
Other Equity Elements	105.999.182	30.085.045	105.891.736	31.656.954	
Total Shareholders equity (b)	151.477.187	50.297.492	151.369.741	51.869.401	
Minority interests (c)	36.785	38.329	-	-	
Total Equity (d)= (b)+(c)	151.513.972	50.335.821	151.369.741	51.869.401	
				_	
TOTAL LIABILITIES AND EQUITY (e) = (a) + (d)	239.052.710	124.769.269	236.270.967	121.931.229	
AND THE RESERVE OF TH					
ANNUAL STAT	EMENT OF INCOME GRO		COMP	ANV	
			01.01-31.12.2006	01 01-31 12 2005	
Revenues	01.01-31.12.2006 97.600.534	91.559.451	92,756,031	01.01-31.12.2005 87 959 198	
Gross Profit / (Loss)	97.600.534 16.002.401	26.905.321	92.756.031 14.632.304	87.959.198 25.773.803	
Profi/ (Losses) before taxes, financing and investing activities	(18.713.710)	1.949.532	(18.660.257)	2.056.094	
Profit/ (Losses) before taxes, financing, investing activities and	(4.975.932)	13.543.913	(5.619.953)	11.039.593	
depreciation	,,		(		
Profit/ (Loss) Before Income Taxes	(19.379.937)	321.365	(19.172.345)	513.172	
Income taxes	2.680.501	(1.435.229)	2.714.996	(1.410.466)	
Profit/ (Loss) After Income Taxes from Continuing Operations (a)	(16.699.436)	(1.113.864)	(16.457.349)	(897.294)	
Profit/ (Loss) After Income Taxes from Discontinuing Operations (b)			-		
			<del></del> -		
Profit/ (Loss) After Income Taxes (From Continuing and Discontinuing Operations) (c)	(16.699.436)	(1.113.864)	(16.457.349)	(897.294)	
Attributable to:	(15 500 500)	(1.125.527	46.467.200	(007 20 C	
Equity holders of the parent Minority interests	(16.698.583) (853)	(1.125.527)	(16.457.349)	(897.294)	
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(Losses) after taxes per share - Basic (inf.):	(0,56)	(0,07)	(0,55)	(0,05)	
STATEMENT OF	CHANGES IN EOUI	TV			
STATEMENT OF	GRO		COMP	ANY	
Shareholder's Equity at beginning of period including	31.12.2006	31.12.2005	31.12.2006	31.12.2005	
minority interests (01.01.2006 and 01.01.2005 respectively)	50.335.821	50.407.240	51.869.401	51.459.036	
- Profit/ (Losses) after taxes	(16.699.436)	(1.113.864)	(16.457.349)	(897.294)	
	33.636.385	49.293.376	35.412.052	50.561.742	
- Issuance of share capital	117.385.494	910.043	117.385.494	910.043	
- Increase of paricipation in subsidiary		(265.214)	-	-	
- Absorption of Subsiadiary	-	-	(1.920.589)	-	
- Distribution of reserves of a subsidiary to minority shareholders	(691) 492.784	397 616	492.784	397.616	
Employee stock option plan     Shareholder's Equity at the end of period including	492./84	397.616	492.784	397.616	
Minority interests (31.12.2006 and 31.12.2005 respectively)	151.513.972	50.335.821	151.369.741	51.869.401	
				ADDITIO	

ANNUAL CASH FLOW STATEMENT								
ANNOAL CASH PL	GROUP COMPANY							
	01.01 - 31.12.2006	01.01 - 31.12.2005	01.01 - 31.12.2006	01.01 - 31.12.2005				
Cash flow from Operating activities								
Profit/ (Loss) before taxes	(19.379.937)	321.365	(19.172.345)	513.172				
Add / Less adjustments for:								
Depreciation and amortization	13.737.778	11.594.381	13.040.304	8.983.499				
Provisions	3.744.837	1.519.472	3.495.691	1.447.132				
Employee stock option plan	492.784	397.616	492.784	397.616				
(Gains)/ Losses on disposal of property, plant, equipment and intangible assets Gains on disposal of financial assets	(11.962)	51.386 (165.999)	(15.236) (2.257.822)	(16.700) (150.372)				
Financial (income)/expenses, net	2.833.153	1.745.280	2.769.910	1 644 649				
Add/ less adjustments for changes in working capital related to operating activities:								
Increase / (decrease) Inventories	(801.342)	(226.109)	(754.262)	(231.268)				
Increase/ (decrease) Trade accounts receivable and prepayments	(5.853.541)	(11.767.019)	(6.233.831)	(11.422.918)				
(Increase) / decrease Liabilities (other than Bank loans)	4.051.981	(434.322)	3.803.381	(670.729)				
Less:								
Interest and related expenses paid	(2.043.096)	(1.632.435)	(1.988.318)	(1.531.803)				
Net cash from operating activities (a)	(5.396.272)	1.403.616	(6.819.744)	(1.037.722)				
Cash flow from Investing activities								
Increase of participartion in subsidiary		(280.714)		(280.714)				
Capital expenditure for property, plant and equipment	(25.141.208)	(16.054.732)	(23.848.708)	(12.722.496)				
Purchase of property, plant, equipment and intangible assets	50.187	90.296	46.467	90.089				
Interest and related income received	2.160.779	105.013	2.257.822	101.727				
Purchases of financial assets at fair value with changes in net results	(68.282.477)	-	(68.282.477)	-				
Purchase of available for sale financial assets	(53.552)	(22.605)	(39.525)	(17.505)				
Proceeds from sale of financial assets		318.137		317.267				
Net cash used in investing activities (b)	(91.266.271)	(15.844.605)	(89.866.421)	(12.511.632)				
Cash flow from Financing activities								
Proceeds from the issuance of Share capital Increase	116.356.667	910.043	116.356.667	910.043				
•	110.330.007	33 531 684	110.330.007	33 531 684				
Proceeds from long-term borrowings								
Repayment of long-term borrowings  Distribution of reserves of a subsidiary to minority shareholders		(17.277.124)		(17.277.124)				
Net change in short-term borrowings	(691) (2.707.595)	(4.904.704)	(3.500.000)	(5,300,000)				
Net change in finance lease creditors	(179.176)	2.030.513	(121.991)	1.862.310				
Net cash from financing activities (c)	113.469.205	14.290.412	112.734.676	13.726.913				
Net increase / (decrease) in Cash (a) + (b) + (c)	16.806.662	(150.577)	16.048.511	177.559				
Cash at Beginning of period	8.170.642	8.321.219	7.872.012	7.694.453				
Cash of absorped companies	-	-	100.539					
Cash at the end of period	24.977.304	8.170.642	24.021.062	7.872.012				

- 1. The above financial statements during the period 1/1/2006. 31/12/2006, have been approved by the members of the Board on 19/03/2007.
  2. The parent company has not been tax audited during the fiscal years 2003-2006, while the absorbed companies MBA S.A. & INTERNET HELLAS S.A. for the fiscal years 2001-2005 and 1999-2004 respectively.
  3. At 31/12/2005 the Group's teal authors of employees reached 759, while the parent company's 702. At 31/12/2005 the Group's relative number of employees was 637, while the parent company's 759.
  4. There are not any real burden on the Group's real estate.
  5. There are not disputes or issues under arbitration, or decisions issued by legal or arbitration bodies affecting the Group's financial status.
  6. Same accounting methods and assessments have been used as in prior fiscal years.
  7. The companies which are incorporated in the consolidation financial statements are:

7. The Companies which are incorporated in the Consolidated mancial statements are.							
Сортапу пате	Head office	Percentage participation	Consolidation method	Unaudited tax years			
FORTH CRS S.A.	Greece	99.31%	Full	4 (2003-2006)			
TELEMEDICINE TECHNOLOGIES SA	France	94.40%	Full				

- 8. All balance sheet and statement of income information of the 100% substitutiny MBA S.A., which has been absorbed in the Spin off balance sheet of 31/12/2005, have been incorporated in FORTiline's balance sheet as of 11/2006.
- Consequently the parent company's FORTHnet S.A, financial information in the current period annual financial statements are not comparable to the corresponding period of the previous fiscal year. Additional information can be found in the financial statements.

  9. Some financial items of the previous fiscal year have been restated in order to be comparable to the current fiscal years' items. More information are provided in the financial statements.

  10. The accumulated sales and purchases since the begining of the current fiscal year as well as the companys' trade accounts receivable and payable balances at the end of the current fiscal year that have resulted from the transactions with its related parties, according to IFRS 24, are as follows:

Heraklion, 19th March 2007

PRESIDENT OF B.O.D. CHIEF FINANCIAL OFFICER CHIEF EXECUTIVE OFFICER FINANCIAL DIRECTOR CHIEF ACCOUNTANT

TZORTZAKIS PANTELIS I.D. number X 072948 AVEROF IOANNIS I.D. number N 772354 KANELLOPOULOS PAVLOS I.D. N 006982