OTENET S.A.

Condensed financial statements and information of the year from 1 January 2005 to 31 December 2005
Published in accordance with C.L.2190/1920 article 135 concerning companies which prepare annual financial statements, consolidated and stand alone, in accordance with International Financial Reporting Standards.

The figures presented below aim to give summary information about the financial position and results of OTENET S.A. and its Group.The reader who aims to form a full opinion on the company's financial position and results must access the annual Financial Statements prepared according to the International Financial Reporting Standards and the Auditor's Report. Indicatively, the reader can visit the company's web site, where the above financial statements are posted.

INFORMATION CONCERNING THE COMPANY

Head Office :	109 KIFFISIAS AVE. - 151 24 MAROUSSI, ATHENS
Companies Registration Number : 347/06/B/86/10	35842/01AT/B/96/157/97
Responsible Prefecture :	Prefecture of Athens
Date of Approval of Financial Statements :	8 May 2006
The Certified Auditor :	Nick Vouniseas, AM SOEL 18701
Auditing Company :	KPMG Kyriacou Certified Auditors S.A.
Type of Auditor's Opinion :	Unqualified -emphasis of matter
Company's Web Site :	www.otenet.gr

Board of Directors Composition:

Chairman:	Panagis Vourloumis
Vice-Chairman:	Konstantinos Liamidis
Members:	Yorgos Ioannidis, Chief Executive Officer
	Konstantinos Kappos
	Joanna Tsitoura
	Miltiadis Goumas
	Agis Leopoulos
	Spyridon Tzafestas
	Theodore Kalampoukis

BALANCE SHEETS (Amounts in Euro)

	GROUP		COMPANY	
ASSETS	**31.12.2005**	**31.12.2004**	**31.12.2005**	**31.12.2004**
Tangible and intangible assets	16.749.507,8	18.389.220,4	11.535.567,2	12.908.998,6
Inventories	460.345,8	301.891,2	460.345,8	301.891,2
Accounts receivable	22.239.896,5	15.996.219,7	14.533.090,7	11.168.831,7
Other assets	5.146.588,2	6.340.303,0	8.433.864,7	9.300.834,7
Cash and cash equivalents	6.473.975,1	4.978.136,9	5.666.016,9	3.389.204,5
ΣΥΝΟΛΟ ΕΝΕΡΓΗΤΙΚΟΥ	**51.070.313,5**	**46.005.771,1**	**40.628.885,3**	**37.069.760,6**
EQUITY AND LIABILITIES				
Long-term liabilities	1.190.576,1	1.211.511,8	488.724,0	312.840,0
Short-term borrowings	461.651,8	3.819.144,4	-	3.500.000,0
Other current liabilities	33.491.711,3	28.754.935,2	24.583.138,2	21.640.955,2
Total liabilities (a)	35.143.939,2	33.785.591,4	25.071.862,3	25.453.795,3
Share Capital	5.400.000,0	5.400.000,0	5.400.000,0	5.400.000,0
Other Equity items	9.275.553,5	5.247.726,5	10.157.023,0	6.215.965,3
Equity attributable to equity holders of the parent (b)	14.675.553,5	10.647.726,5	15.557.023,0	11.615.965,3
Minority interest (c)	1.250.820,9	1.572.453,3	-	-
Total equity (d) = (b) + (c)	15.926.374,3	12.220.179,7	15.557.023,0	11.615.965,3
TOTAL EQUITY AND LIABILITIES (a) + (d)	**51.070.313,5**	**46.005.771,1**	**40.628.885,3**	**37.069.760,6**

INCOME STATEMENTS (Amounts in Euro)

	GROUP		COMPANY	
	01.01-31.12.2005	**01.01-31.12.2004**	**01.01-31.12.2005**	**01.01-31.12.2004**
Total revenues	97.191.182,1	87.263.921,5	71.398.068,2	68.888.969,4
Operating expenses before depreciation	(82.522.715,7)	(73.457.716,6)	(58.269.968,2)	(56.745.064,2)
Earnings before taxes, investment income, financial income and depreciation-amortization	14.668.466,4	13.806.204,9	13.128.100,0	12.143.905,2
Depreciation and amortization	(6.707.408,3)	(7.697.962,6)	(5.227.643,9)	(6.276.305,8)
Earnings before taxes, investment income and financial income	7.961.058,1	6.108.242,3	7.900.456,1	5.867.599,4
Investment and financial income /(loss)	(125.486,9)	(388.467,3)	20.139,0	(74.907,5)
Profit/(loss) before tax	7.835.571,2	5.719.775,0	7.920.595,0	5.792.691,9
Income taxes	(4.144.804,7)	(2.738.400,1)	(3.979.537,3)	(2.378.716,2)
Net profit / (loss) for the year	**3.690.766,5**	**2.981.374,9**	**3.941.057,7**	**3.413.975,8**
Attributable to:				
Equity holders of the parent	4.113.024,0	3.169.764,5	3.941.057,7	3.413.975,8
Minority interest	(422.257,6)	(188.389,6)	-	-
Basic earnings per share (in €)	2,2850	1,7610	2,1895	1,8967
Proposed dividend for the year per share - (in€)				

STATEMENTS OF CHANGES IN EQUITY (Amounts in Euro)

	GROUP		COMPANY	
	31.12.2005	**31.12.2004**	**31.12.2005**	**31.12.2004**
Total equity at beginning of year (01.01.2005 and 01.01.2004)	12.220.179,7	8.268.998,1	11.615.965,3	9.508.037,2
Profit for the year after taxes	3.690.766,5	2.981.374,9	3.941.057,7	3.413.975,8
	15.910.946,2	11.250.373,0	15.557.023,0	12.922.013,0
Previous years losses of merged subsidiary	-	(354.947,4)	-	(1.292.932,3)
Special taxed reserves	(4.031,6)	-	-	-
Share capital increase expenses	-	(13.115,3)	-	(13.115,3)
Foreign currency translation	14.334,2	(89.979,0)	-	-
Net change of investment in subsidiaries	5.125,5	1.427.848,4	-	-
Total equity at end of the year (31.12.2005 and 31.12.2004)	**15.926.374,3**	**12.220.179,7**	**15.557.023,0**	**11.615.965,3**

CASH FLOW STATEMENTS (Amounts in Euro)

	GROUP		COMPANY	
	01.01-31.12.2005	**01.01-31.12.2004**	**01.01-31.12.2005**	**01.01-31.12.2004**
Cash flows from operating activities				
Profit/ (loss) before taxes	7.835.571,2	5.719.775,0	7.920.595,0	5.792.692,0
Adjustments for:				
Depreciation and amortization	6.707.408,3	7.697.962,6	5.227.643,9	6.276.305,8
Provisions	643.680,6	430.839,3	622.834,0	341.788,0
Investment and financial (income)/ loss	(137.166,3)	(1.429.098,0)	80,5	(1.534.869,6)
Interest expense	253.682,7	587.625,6	61.371,1	246.100,0
Adjustments for working capital movements related to operating activities:				
Decrease in materials and supplies	(158.454,7)	(104.251,9)	(158.454,7)	(131.691,3)
Decrease / (increase) in accounts receivable	(5.687.809,6)	2.419.449,9	(2.967.853,4)	4.693.963,0
Decrease in liabilities	3.788.974,6	(1.239.413,9)	1.982.942,9	(2.317.992,1)
Minus:				
Interest paid	(155.876,9)	(462.172,5)	(61.371,1)	(246.100,0)
Income taxes paid	(2.184.141,4)	(2.949.062,3)	(2.166.600,6)	(2.947.338,1)
Net cash provided by operating activities (a)	**10.905.868,7**	**10.671.653,9**	**10.461.187,7**	**10.172.857,6**
Cash flows from investing activities				
Acquisition of subsidiary or associate, net of cash acquired	(199.079,7)	(30.710,4)	(207.248,3)	(1.659.523,7)
Purchase of property, plant and equipment or intangible assets	(5.848.099,4)	(10.341.740,0)	(4.645.523,7)	(7.940.213,0)
Proceeds from sale of investment	87.891,0	-	86.886,7	174.175,1
Interest received	116.419,4	209.219,5	81.444,1	171.259,6
Dividends received	66,0	67,1	66,0	67,1
Net minority profit from increase of investment in subsidiary	-	652.005,2	-	-
Net cash provided by / (used in) investing activities (b)	**(5.842.802,7)**	**(9.511.158,6)**	**(4.684.375,2)**	**(9.254.234,8)**
Cash flows from financing activities				
Proceeds from minority shareholders for issuance of subsidiary's share capital	-	834.905,1	-	-
Proceeds from long-term debt and short-term borrowings	-	60.375,2	-	-
Lease payments	-	(300.725,3)	-	-
Repayment from long-term debt and short-term borrowings	(3.567.227,8)	(801.475,0)	(3.500.000,0)	-
Net cash used in financing activities (c)	**(3.567.227,8)**	**(206.920,1)**	**(3.500.000,0)**	**-**
Net increase in cash and cash equivalents (a)+(b)+(c)	**1.495.838,2**	**953.575,3**	**2.276.812,5**	**918.622,8**
Cash and cash equivalents at beginning of the year	**4.978.136,9**	**4.024.561,6**	**3.389.204,5**	**2.470.581,7**
Cash and cash equivalents at the end of the year	**6.473.975,1**	**4.978.136,9**	**5.666.016,9**	**3.389.204,5**

ADDITIONAL INFORMATION

1) The subsidiaries included in the consolidated financial statements, their location and the Group's ownership interest therein, are as follows:

Full consolidation method (direct investment)	**HEAD OFFICE**	**SHARE OF INTEREST**	**U.T.Y.**
OTENET AE	Marousi, Greece	Μητρική	Από 2004
VOICENET AE	Pagrati, Greece	84,07%	Από 2004
OTENET (Cyprus) Ltd	Cyprus	60,00%	Από 2000
Full consolidation method (indirect investment)			
OTENET TELECOMMUNICATIONS LTD	Cyprus	46,00%	Από 2001

U.T.Y. : Unaudited Tax Years

2) There are no restrictions on title on property, plant and equipment.
3) Number of employees at the end of the year : The Group 390 (2004:320), The Company 338 (2004:277)
4) The amounts of revenues and expenses from/to related parties as at 31 December 2005 amounted to€ 700.500,70 and € 813.862,30, respectively. The balance of receivables and payables from/to related parties as of 31 December 2005 amounted to € 271.819,74 and € 107.157,40, respectively.
5) Earnings per share were calculated based on the number of shares outstanding.
6) The Financial Statements of the Company are included to OTE's consolidated financial statements which its head office are located in Greece. OTE participates in OTENET's Share Capital with a stake of 94,58 %.
7) There are no pending legal cases or issues in progress, which may have a material impact to the Company's or the Group's Financial Statements.
8) There are not subsequent events after 31 December 2005 that should be announced or differenciate the amounts of published financial statements.

Athens, 8 May 2006

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE FINANCIAL DIRECTOR	THE MANAGEMENT ACCOUNTING SECTION MANAGER
PANAGIS VOURLOUMIS	YORGOS IOANNIDIS	E.FILIPPOU - KLOPFER	ARETI P. KANAKI