



## **INFO-QUEST S.A.**

**Interim Financial Statements prepared  
in accordance with International Financial Reporting  
Standards («IFRS»)**

**1st Quarter 2006**

*These interim financial statements have been translated from the original statutory interim financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language interim financial statements, the Greek language interim financial statements will prevail over this document.*

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**Balance sheet**

<i>Amounts in Euro thousands</i>	Notes	GROUP		COMPANY	
		31/3/2006	31/12/2005	31/3/2006	31/12/2005
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		46.670	40.965	34.657	28.705
Intangible assets		561	566	359	362
Investments in subsidiaries	5	-	-	20.364	71.380
Deferred income tax asset		3.862	4.684	2.518	2.918
Available for sale financial assets		15.608	17.667	15.591	17.650
Other receivables		-	270	-	-
		<b>66.701</b>	<b>64.152</b>	<b>73.488</b>	<b>121.015</b>
<b>Current assets</b>					
Inventories		23.816	23.385	22.011	20.939
Accounts receivable		144.985	166.691	119.808	144.333
Other receivables		4.671	10.922	1.716	10.638
Current income tax asset		13.545	1.344	13.091	860
Cash and cash equivalents		145.584	2.527	143.645	742
		<b>332.601</b>	<b>204.869</b>	<b>300.271</b>	<b>177.511</b>
Assets classified as held for sale	11	-	123.975	-	-
<b>Total assets</b>		<b>399.302</b>	<b>392.996</b>	<b>373.759</b>	<b>298.527</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to the Company's shareholders</b>					
Share capital	6	43.835	48.705	43.835	48.705
Share premium	6	40.128	108.315	40.128	108.315
Other reserves		12.909	14.858	12.838	14.789
Retained earnings / (Accumulated losses)		144.303	(94.074)	163.161	(75.130)
		241.174	77.804	259.961	96.680
<b>Minority interest</b>		843	735	-	-
<b>Total equity</b>		<b>242.017</b>	<b>78.539</b>	<b>259.961</b>	<b>96.680</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings		631	4.071	-	3.250
Retirement benefit obligations		1.473	1.388	856	818
Government grants		142	155	128	137
Other liabilities		-	191	-	-
Provisions		4.469	4.469	4.469	4.469
		<b>6.716</b>	<b>10.274</b>	<b>5.454</b>	<b>8.674</b>
<b>Current liabilities</b>					
Accounts payable		36.278	41.365	28.613	35.222
Other liabilities		92.596	31.159	79.634	20.919
Borrowings		21.616	158.501	98	137.032
Provisions		80	75	-	-
		<b>150.569</b>	<b>231.100</b>	<b>108.344</b>	<b>193.173</b>
Liabilities directly associated with assets classified as held for sale	11	-	73.083	-	-
<b>Total liabilities</b>		<b>157.285</b>	<b>314.457</b>	<b>113.798</b>	<b>201.847</b>
<b>Total equity and liabilities</b>		<b>399.302</b>	<b>392.996</b>	<b>373.759</b>	<b>298.527</b>

The notes on pages 6 to 17 are an integral part of these interim financial statements.

**Income statement**

<i>Amounts in Euro thousands</i>	Notes	GROUP		COMPANY	
		1/1to 31/3/2006	1/1 to 31/3/2005	1/1to 31/3/2006	1/1 to 31/3/2005
<b>Sales</b>		<b>92.731</b>	<b>84.518</b>	<b>65.159</b>	<b>61.003</b>
Cost of sales		(83.047)	(76.454)	(59.563)	(55.713)
<b>Gross profit</b>		<b>9.684</b>	<b>8.064</b>	<b>5.596</b>	<b>5.290</b>
Selling expenses		(4.092)	(2.951)	(2.800)	(2.180)
Administrative expenses		(4.506)	(3.317)	(2.945)	(1.395)
Profit from disposal of Q Telecommunications		-	-	-	-
Other operating income / (expenses) - net		691	83	1.077	102
<b>Operating profit</b>		<b>1.778</b>	<b>1.880</b>	<b>928</b>	<b>1.818</b>
Finance costs - net		(390)	(1.338)	(81)	(1.262)
<b>Profit before income tax</b>		<b>1.388</b>	<b>542</b>	<b>847</b>	<b>556</b>
Income tax expense		(954)	(317)	(488)	(109)
<b>Profit for the period from continuing operations</b>		<b>434</b>	<b>224</b>	<b>359</b>	<b>446</b>
<b>Profit for the period from discontinued operations</b>	11	<b>238.056</b>	<b>1.014</b>	<b>237.932</b>	<b>1.015</b>
<b>Net Profit</b>		<b>238.490</b>	<b>1.239</b>	<b>238.291</b>	<b>1.461</b>
<b>Attributable to :</b>					
Equity holders of the Company		238.382	1.376	238.291	1.461
Minority interest		108	(138)	-	-
		238.490	1.239	238.291	1.461
<b>Profit per share from continuing operations attributable to equity holders of the Company (in €per share)</b>					
Basic and diluted earnings	15	0,007	0,007	0,007	0,009
<b>Profit per share from discontinued operations attributable to equity holders of the Company (in €per share)</b>					
Basic and diluted earnings	15	4,888	0,021	4,885	0,021
<b>Profit per share attributable to equity holders of the Company (in €per share)</b>					
Basic and diluted earnings	15	4,894	0,028	4,893	0,030

The notes on pages 6 to 17 are an integral part of these interim financial statements.

**Statement of changes in equity**

<i>Amounts in Euro thousands</i>	Attributable to equity holders of the Company			Minority	Total Equity
	Share capital	Other reserves	Retained earnings	Interests	
<b>GROUP</b>					
<b>Balance 1 January 2005</b>	<b>155.792</b>	<b>13.034</b>	<b>(104.840)</b>	<b>389</b>	<b>64.375</b>
Currency translation differences	-	89	-	-	89
Net profit for the period	-	-	1.376	(138)	1.239
Dividends	-	-	-	(140)	(140)
<b>Balance 31 March 2005</b>	<b>155.792</b>	<b>13.123</b>	<b>(103.464)</b>	<b>111</b>	<b>65.563</b>
Currency translation differences	-	(65)	-	73	9
Net profit recognised directly in equity	-	1.800	-	-	1.800
Cancellation of treasury shares	1.228	-	(1.228)	-	-
Net profit for the period	-	-	10.618	555	11.173
Dividends	-	-	-	(4)	(4)
<b>Balance 31 December 2005</b>	<b>157.020</b>	<b>14.859</b>	<b>(94.074)</b>	<b>736</b>	<b>78.540</b>
Currency translation differences	-	(3)	-	-	(3)
Net profit for the period	-	-	238.382	108	238.490
Reduction of share capital	(73.058)	-	-	-	(73.058)
Transfer of reserves	-	5	(5)	-	-
Net (loss) recognised directly in equity	-	(1.952)	-	-	(1.952)
<b>Balance 31 March 2006</b>	<b>83.962</b>	<b>12.909</b>	<b>144.303</b>	<b>844</b>	<b>242.017</b>
<b>COMPANY</b>					
<b>Balance 1 January 2005</b>	<b>155.792</b>	<b>12.989</b>	<b>(87.100)</b>	-	<b>81.681</b>
Net profit for the period	-	-	1.461	-	1.461
<b>Balance 31 March 2005</b>	<b>155.792</b>	<b>12.989</b>	<b>(85.639)</b>	-	<b>83.142</b>
Net profit for the period	-	-	11.737	-	11.737
Cancellation of treasury shares	1.228	-	(1.228)	-	-
Net profit recognised directly in equity	-	1.800	-	-	1.800
<b>Balance 31 December 2005</b>	<b>157.020</b>	<b>14.789</b>	<b>(75.130)</b>	-	<b>96.680</b>
Net loss recognised directly in equity	-	(1.952)	-	-	(1.952)
Net profit for the period	-	-	238.291	-	238.291
Reduction of share capital	(73.058)	-	-	-	(73.058)
<b>Balance 31 March 2006</b>	<b>83.962</b>	<b>12.837</b>	<b>163.161</b>	-	<b>259.961</b>

The notes on pages 6 to 17 are an integral part of these interim financial statements.

**Cash flow statement**

<i>Amounts in Euro thousands</i>	Notes	GROUP		COMPANY	
		1/1 to 31/3/2006	1/1 to 31/3/2005	1/1 to 31/3/2006	1/1 to 31/3/2005
<b>Cash flows from operating activities</b>					
Cash generated from operations	7	24.073	(2.546)	12.965	(13.513)
Interest paid		(1.045)	(2.414)	(655)	(2.113)
Income tax paid		(16.629)	205	(16.463)	202
<b>Net cash from operating activities</b>		<b>6.399</b>	<b>(4.755)</b>	<b>(4.153)</b>	<b>(15.424)</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant, equipment and intangible assets		(7.182)	(3.071)	(6.288)	(2.853)
Proceeds from sale of property, plant, equipment and intangible assets		2	3	-	-
Purchase of investments		(15)	-	(16)	-
Proceeds from the disposal of Q Telecommunications	12	283.749	-	293.216	-
Interest received		424	289	328	65
<b>Net cash from investing activities</b>		<b>276.978</b>	<b>(2.779)</b>	<b>287.240</b>	<b>(2.788)</b>
<b>Cash flows from financing activities</b>					
Borrowings received		3.183	14.539	-	25.172
Repayment of borrowings		(143.327)	(5.405)	(140.184)	(5.465)
Capital repayments of finance leases		(180)	(219)	-	-
Dividends paid to minority interest		-	(140)	-	-
<b>Net cash from financing activities</b>		<b>(140.324)</b>	<b>8.775</b>	<b>(140.184)</b>	<b>19.707</b>
<b>Net increase in cash and cash equivalents</b>					
Cash and cash equivalents at beginning of the period		2.531	1.832	742	649
Cash and cash equivalents at end of the period		<b>145.584</b>	<b>3.073</b>	<b>143.645</b>	<b>2.144</b>

The notes on pages 6 to 17 are an integral part of these interim financial statements.

## Notes upon interim financial statements

### 1. General information

The interim financial statements include the interim financial statements of Info-Quest S.A. (the “Company”) and the consolidated interim financial statements of the Company and its subsidiaries (the “Group”). The names of the Group’s subsidiaries are presented in Note 5 of these statements.

The main activities of the Group are the distribution of information technology and telecommunications products, the design, application and support of integrated systems and technology solutions, and the supply of various telecommunication services and express mail services. As mentioned below, on the 1<sup>st</sup> of January 2006, the disposal of Q Telecommunications S.A. was completed with the receipt of €330 million in cash. Note 12 presents an analysis of the effect of this disposal on these interim financial statements.

The Group operates in Greece, Albania and Cyprus and the Company’s shares are traded in Athens Stock Exchange. The address of the Company is Al. Pantou str. 25-27, Kallithea Attikis, Greece. Its website address is [www.quest.gr](http://www.quest.gr).

The sales of the parent company from continuing operations (excluding the operation of Q Telecom) amounted to approximately €65,2 million versus €61,0 million for the three months ending 31 March 2005. Profit before tax from continuing operation amounted to €847 thousand versus €556 thousand for the comparative period. Profit after tax from continuing operations amounted to €359 thousand versus €446 thousand for the comparative period.

As mentioned in Note 11, both the result of Q Telecom and the profit of disposal of Q Telecommunications SA are presented as discontinued operations and amounted to €237,9 million for the three months ended 31 March 2006 and €1,0 million for the three months ended 31 March 2005.

EBITDA, calculated from total operations (continuing and discontinued), amounted to €1,2 million, versus €7,1 million the comparative period. It must be noted that the first quarter of 2005 included the operations of Q Telecom.

The interim financial statements have been approved for issue by the Board of Directors on the 25<sup>th</sup> of May 2006.

#### **Disposal of the telecommunications segment from Info-Quest S.A.**

On 31 January 2006, the Company completed the sale of its 100% held subsidiary, Q Telecommunications S.A., to which it has transferred the telecommunications segment of the Company.

The proceeds on the disposal amounted to €330 million and the buyers of the subsidiary also undertook the obligation to repay the bond loan amounting to €25 million which has been transferred to the telecommunications segment.

This event has resulted in an improvement in all of the Company’s key financial indicators. Some of the improvements following the sale of Q Telecommunications S.A and the Share capital reduction that was subsequently undertaken, as at 31<sup>st</sup> March 2006 are as follows:

- § Net assets of approximately €260 million.
- § Minimal borrowings.
- § Accounts payables and other liabilities (excluding the €73 million payable to the shareholders following the Share capital reduction) of approximately €35 million.
- § Total assets of approximately €301 million, out of which €71 million represents cash equivalents (excluding the €73 million payable to the shareholders following the Share capital reduction).

## 2. Preparation framework of the interim financial statements

These interim financial statements cover the three month period ending 31 March 2006 and have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”.

The accounting policies used in the preparation and presentation of these interim financial statements are the same as the accounting policies that were used by the Company and the Group for the preparation of the annual financial statements for the year ended 31 December 2005.

The interim financial statements must be considered in conjunction with the annual financial statements for the year ended 31<sup>st</sup> December 2005, which are available on the Group’s web site at the address [www.quest.gr](http://www.quest.gr).

These interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

There have been no changes in the accounting policies used from those that were used for the preparation of the annual financial statements prepared by the Company and the Group for the year ended 31 December 2005.

The preparation of the financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise judgement in the process of applying the Company’s accounting policies. Moreover, it requires the use of estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of interim financial statements and the reported income and expense amounts during the reporting period. Although these estimates and judgments are based on the best possible knowledge of Management with respect to the current conditions and activities, the actual results can eventually differ from these estimates.

Certain prior year amounts have been reclassified to conform to the current year presentation. Differences between amounts presented in the financial statements and corresponding amounts in the notes results from rounding differences.

## 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 3.1. Critical accounting estimates and judgements

The Group makes estimates and judgements concerning the future. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months concern income tax.

Judgement is required by the Group in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The provision for income taxes for the period ended 31<sup>st</sup> March 2006, is likely to change due to the material profit that resulted from the disposal of Q Telecommunications S.A., since the relevant tax legislation which covers the taxation of such transactions may change. Furthermore, the provision for income tax depends on the amount of dividends to be approved for payment by the General Assembly, following the end of the financial year ended 31<sup>st</sup> of December 2006. Consequently, any change in the Management’s estimate regarding dividends paid, will affect



the provision for income tax. Any difference that may arise will affect the income tax provision of the period in which will arise.

### 3.2. Critical Management judgments made in applying the entity's accounting policies

There were no areas that required Management's judgments in applying the Group's accounting policies.

## 4. Segment information

### Primary reporting format – business segments

The Group is organised into three business segments:

- (1) Information Technology solutions and equipment
- (2) Telecommunications services
- (3) Courier services

The segment results for the 3 months ended 31 March 2006 and 31 March 2005 were as follows:

<b>3 months to 31 March 2006</b> <i>(in Euro thousands)</i>	<b>Information Technology</b>	<b>Telecom- munications</b>	<b>Courier services</b>	<b>Total</b>
<b>Total gross segment sales</b>	<b>68.327</b>	<b>10.074</b>	<b>16.593</b>	<b>94.994</b>
Inter-segment sales	(2.091)	(107)	(64)	(2.262)
<b>Net sales</b>	<b>66.236</b>	<b>9.967</b>	<b>16.529</b>	<b>92.732</b>
Operating profit	1.427	(127)	477	1.777
Finance costs	(98)	(256)	(36)	(390)
<b>Profit before income tax</b>	<b>1.329</b>	<b>(383)</b>	<b>441</b>	<b>1.387</b>
Income tax expense				(954)
<b>Profit for the period from continuing operations</b>				<b>433</b>
<b>Profit for the period from discontinued operations</b>				238.056
<b>Net profit</b>				<b>238.489</b>

<b>3 months to 31 March 2005</b> <i>(in Euro thousands)</i>	<b>Information Technology</b>	<b>Telecom- munications</b>	<b>Courier services</b>	<b>Total</b>
<b>Total gross segment sales</b>	<b>63.611</b>	<b>9.552</b>	<b>14.095</b>	<b>87.259</b>
Inter-segment sales	(1.908)	(487)	(346)	(2.741)
<b>Net sales</b>	<b>61.704</b>	<b>9.065</b>	<b>13.749</b>	<b>84.518</b>
Operating profit	2.040	(3)	(157)	1.880
Finance costs	(1.240)	(125)	27	(1.338)
<b>Profit before income tax</b>	<b>800</b>	<b>(128)</b>	<b>(131)</b>	<b>542</b>
Income tax expense				(317)
<b>Profit for the period from continuing operations</b>				<b>224</b>
<b>Profit for the period from discontinued operations</b>				1.014
<b>Net profit</b>				<b>1.239</b>

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Other segment items included in the income statement are as follows:

<b>3 months to 31 March 2006</b> (in Euro thousands)	<b>Information Technology</b>	<b>Telecommunications</b>	<b>Courier services</b>	<b>Total</b>
Depreciation of property, plant and equipment	318	1.021	238	<b>1.577</b>
Amortisation of intangible assets	43	378	19	<b>440</b>
Impairment of receivables	328	-	-	<b>328</b>

  

<b>3 months to 31 March 2005</b> (in Euro thousands)	<b>Information Technology</b>	<b>Telecommunications</b>	<b>Courier services</b>	<b>Total</b>
Depreciation of property, plant and equipment	360	2.034	349	<b>2.743</b>
Amortisation of intangible assets	49	998	25	<b>1.072</b>
Impairment of receivables	7	-	-	<b>7</b>
Impairment of inventories	22	-	-	<b>22</b>

The segment assets and liabilities at 31 March 2006 and 31 March 2005 are as follows:

<b>31 March 2006</b> (in Euro thousands)	<b>Information Technology</b>	<b>Telecommunications</b>	<b>Courier services</b>	<b>Unallocated</b>	<b>Total</b>
<b>Assets</b>	<b>357.222</b>	<b>16.824</b>	<b>25.256</b>	-	<b>399.302</b>
<b>Liabilities</b>	<b>116.606</b>	<b>17.812</b>	<b>22.867</b>	-	<b>157.285</b>
<b>Equity</b>	<b>240.616</b>	<b>(988)</b>	<b>2.389</b>	-	<b>242.017</b>
Capital expenditure	6.308	527	346	-	7.181

  

<b>31 December 2005</b> (in Euro thousands)	<b>Information Technology</b>	<b>Telecommunications</b>	<b>Courier services</b>	<b>Unallocated</b>	<b>Total</b>
<b>Assets</b>	<b>231.148</b>	<b>138.608</b>	<b>22.840</b>	<b>401</b>	<b>392.996</b>
<b>Liabilities</b>	<b>205.313</b>	<b>89.549</b>	<b>19.587</b>	<b>8</b>	<b>314.457</b>
<b>Equity</b>	<b>25.835</b>	<b>49.059</b>	<b>3.252</b>	<b>393</b>	<b>78.540</b>
Capital expenditure	22.565	23	480	-	23

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and cash.

Segment liabilities comprise operating liabilities.

Capital expenditure comprises acquisitions of property, plant and equipment and intangible assets.

**5. Investments in subsidiaries**

<i>Amounts in Euro thousands</i>	<b>COMPANY</b>	
	<b>31/3/2006</b>	<b>31/12/2005</b>
<b>Balance at the beginning of the period</b>	<b>71.380</b>	<b>20.517</b>
Transfer of the telecommunication's segment to a subsidiary	-	50.957
Disposals	(51.017)	-
Impairment	-	(94)
<b>Balance at the end of the period</b>	<b>20.363</b>	<b>71.380</b>

On 31 January 2006, the Company completed the sale of its subsidiary, Q Telecommunications S.A. This completes the process that was initiated with the sale agreement that the Company entered into on 27 October 2005 (refer to Note 12).

On the 21<sup>st</sup> of February 2006, the Company established a subsidiary Company named Viraq Ltd in Cyprus. The relevant legal procedures have not been completed and therefore the Company has not yet contributed the amount for the share capital of the subsidiary.

Summarised financial information relating to subsidiaries:

**31 March 2006**

<b>Name</b>	<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>	<b>Country of incorporation</b>	<b>% interest held</b>
<i>Amounts in Euro thousands</i>					
DECISION SA	5.515	-	5.515	Greece	100,00%
COMPUTER CLUB SA	1.095	-	1.095	Greece	100,00%
IONIKI EPINIA SA	3.424	3.197	227	Greece	81,15%
ACS SA	13.363	-	13.363	Greece	66,79%
UNITEL HELLAS SA	10.452	10.452	-	Greece	51,00%
QUEST ALBANIA	163	-	163	Albania	51,00%
VIRAQ Ltd	-	-	-	Cyprus	100,00%
	<b>34.012</b>	<b>13.649</b>	<b>20.363</b>		

**31 December 2005**

<b>Name</b>	<b>Cost</b>	<b>Impairment</b>	<b>Carrying amount</b>	<b>Country of incorporation</b>	<b>% interest held</b>
<i>Amounts in Euro thousands</i>					
DECISION SA	5.515	-	5.515	Greece	100,00%
COMPUTER CLUB SA	1.095	-	1.095	Greece	100,00%
IONIKI EPINIA SA	3.424	3.197	227	Greece	81,15%
ACS SA	13.363	-	13.363	Greece	66,79%
UNITEL HELLAS SA	10.452	10.452	-	Greece	51,00%
QUEST ALBANIA	163	-	163	Albania	51,00%
Q TELECOMMUNICATIONS SA	51.017	1	51.016	Greece	100,00%
	<b>85.029</b>	<b>13.650</b>	<b>71.380</b>		

In addition to the above subsidiaries, the Group financial statements also include the 100% held subsidiaries of ACS S.A., namely ACS Albania and ACS Courier, both of which operate in Albania. ACS Courier is a newly formed company and was consolidated for the first time at 31 December 2005.

## 6. Share capital

<i>Amounts in Euro thousands</i>	<b>Number of shares</b>	<b>Ordinary shares</b>	<b>Share premium</b>	<b>Treasury shares</b>	<b>Total</b>
<b>1 January 2005</b>	52.629.720	52.630	117.106	(13.944)	155.792
Cancellation of treasury shares	(3.924.500)	(3.926)	(8.791)	13.944	1.228
<b>31 December 2005</b>	<b>48.705.220</b>	<b>48.705</b>	<b>108.315</b>	-	<b>157.020</b>
<b>1 January 2006</b>	48.705.220	48.705	108.315	-	157.020
Increase of share capital	-	68.187	(68.187)	-	-
Reduction of share capital	-	(73.058)	-	-	(73.058)
<b>31 March 2006</b>	<b>48.705.220</b>	<b>43.834</b>	<b>40.128</b>	-	<b>83.962</b>

On the 28<sup>th</sup> of March 2006, the Annual General Assembly decided to increase the share capital of the Company by an amount of €68.187.308, through the capitalization of a portion of "Share Premium" and an increase of the nominal value of each share by €1,40 (i.e. from €1,00 to €2,40 each).

The same General Assembly also decided that the share capital of the Company would decrease by an amount of €73.057.830 through a corresponding decrease in the nominal value of each share from €2,40 to €0,90. The decrease will be returned, in cash, to the Company's shareholders with the cash payment of €1,50 per share.

The Ministry of Development has approved the modification of the relevant section of the Company's Articles of Association.

After the above mentioned increase and decrease, the share capital of the Company amounts to €43.834.698, divided into 48.705.220 common shares of a nominal value of €0,90 each.

The share capital return commenced on the 19<sup>th</sup> of April 2006, and therefore an amount of approximately €73.058 thousand is included in other liabilities as at 31<sup>st</sup> of March 2006.

## 7. Cash generated from operations

<i>Amounts in Euro thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>
Profit for the period	238.490	1.239	238.291	1.461
Adjustments for:				
Tax	6.210	790	4.755	583
Depreciation of property, plant and equipment	1.577	2.744	290	1.935
Amortisation of intangible assets	440	1.072	41	1.045
(Gain) / loss on sale of property, plant and equipment	8	35	8	(3)
Interest income	(424)	(289)	(328)	(65)
Interest expense	1.045	2.361	655	2.139
Amortisation of government grants	(13)	(27)	(9)	(22)
Exchange differences	155	74	-	-
Profit from the disposal of Q Telecommunications	(241.232)	-	(242.199)	-
	<b>6.256</b>	<b>7.999</b>	<b>1.504</b>	<b>7.073</b>
<b>Changes in working capital</b>				
Decrease / (increase) in inventories	(533)	(5.600)	(1.072)	(5.258)
Decrease / (increase) in receivables	19.677	3.843	33.446	5.611
Increase / (decrease) in liabilities	(1.270)	(8.815)	(20.952)	(20.986)
Increase / (decrease) in provisions	6	(67)	-	-
Increase / (decrease) in retirement benefit obligations	(63)	94	39	47
	<b>17.817</b>	<b>(10.545)</b>	<b>11.461</b>	<b>(20.586)</b>
<b>Cash generated from operations</b>	<b>24.073</b>	<b>(2.546)</b>	<b>12.965</b>	<b>(13.513)</b>

## 8. Contingencies

The Group and the Company have contingencies in respect of bank guarantees, other guarantees and other matters arising in the ordinary course of business from which Management is confident that no material liability will arise. The contingent liabilities are analysed as follows:

<i>Amounts in Euro thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31/3/2006</b>	<b>31/12/2005</b>	<b>31/3/2006</b>	<b>31/12/2005</b>
<b>Liabilities</b>				
Letters of guarantee to creditors	222	253	157	253
Letters of guarantee to customers securing contract performance	14.753	13.987	12.565	11.538
Mortgages over land & buildings	28.470	28.470	28.470	28.470
Guarantees to banks on behalf of subsidiaries	19.187	19.187	19.175	19.175
Other	15.158	4.019	-	-
	<b>77.790</b>	<b>65.916</b>	<b>60.367</b>	<b>59.436</b>

In addition to the above, the following specific issues should be noted:

(a) A provision of approximately €4,5 million (31 March 2005: €4,1 million) which relates to a guarantee given from the Company for bank borrowings of a subsidiary is included in the financial statements.

(b) A subsidiary of the Group has a legal case pending against third parties in relation to unfair competition. The claim of the subsidiary against these third parties is for an amount of approximately €20,4 million.

(c) The Company has filed a lawsuit against EETT for an amount of €22,6 million which has been imposed on the Company by EETT due to the change of control that resulted in Q Telecommunications S.A. This amount has been included in the calculation of the profit on disposal of the subsidiary and therefore has reduced the profit for the period ended 31<sup>st</sup> March 2006 in both the Company and the Group (refer to Note 12).

(d) Following the requirements of the Albania authorities, Management has decided to place the subsidiary company, ACS Albania, into liquidation. Management is confident that that no material liability will arise.

(e) The tax obligations of both the Company and the Group are not final since there are prior periods which have not been inspected by the tax authorities. Note 16 presents the last periods inspected by the tax authorities for each company in the Group. Management is confident that no additional material liability will arise as a result of future tax inspections.

Furthermore, there are various legal cases against companies of the Group for which the Management estimates that that no additional material liabilities will arise.

## 9. Guarantees

The borrowings of the subsidiaries are secured by guarantees given by the Company. There are no mortgages over the Group's land and buildings. Note 8 states that land and buildings are mortgaged for an amount of €28,5 million. Following the repayment of all related liabilities, the Company is in the process of removing these mortgages. However at the date of approval of these interim financial statements, this process has not been concluded.

## 10. Commitments

### Capital commitments

There is no capital expenditure that has been contracted for but not yet incurred at the balance sheet date.

### Operating lease commitments

The group leases mechanical equipment under operating leases. Total future lease payments under operating leases are as follows:

<i>Amounts in Euro thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>31/3/2006</b>	<b>31/12/2005</b>	<b>31/3/2006</b>	<b>31/12/2005</b>
Not later than 1 year	150	182	-	-
Later than 1 year but not later than 5 years	42	317	-	-
	<b>192</b>	<b>499</b>	<b>-</b>	<b>-</b>

## 11. Discontinued operations

On 31 January 2006, the Company completed the sale of its 100% held subsidiary, Q Telecommunications S.A. for a price of €330 million. This action completes the process that was initiated with the sale agreement that the Company entered into on 27 October 2005.

The financial results of Q-Telecom and the profit on disposal of Q Telecommunications S.A. have been presented in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", as a discontinued operation. Furthermore, the related non-current assets and directly associated liabilities are classified as assets held for sale.

An analysis of the result of discontinued operations is as follows:

<i>Amounts in Euro thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>
Sales	15.325	33.887	-	33.887
Expenses	(13.246)	(32.400)	-	(32.399)
<b>Profit before income tax from discontinued operations</b>	<b>2.080</b>	<b>1.487</b>	-	<b>1.488</b>
Income tax expense	(989)	(473)	-	(473)
<b>Net profit from discontinued operations (Q Telecom)</b>	<b>1.091</b>	<b>1.014</b>	-	<b>1.015</b>
<b>Profit after taxes from the disposal of Q Telecommunications (note 12)</b>	236.965	-	237.932	-
<b>Profit for the period from discontinued operations</b>	<b>238.056</b>	<b>1.014</b>	<b>237.932</b>	<b>1.015</b>

Non-current assets classified as held for sale and liabilities directly associated with non-current assets classified as held for sale as at 31<sup>st</sup> December 2005:

<i>Amounts in Euro thousands</i>	
Property, plant and equipment	61.718
Intangible assets	25.005
Deferred income tax asset	1.838
Inventories	1.177
Trade and other receivables	34.233
Cash	4
<b>Assets classified as held for sale</b>	<b>123.975</b>
Borrowings	25.000
Retirement benefit obligations	149
Trade and other payables	45.356
Current income tax liability	2.579
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>73.084</b>

## 12. Disposal of subsidiary

The profit that resulted from the disposal of Q Telecommunications S.A. is as follows:

<i>Amounts in Euro thousands</i>	<b>GROUP</b>	<b>COMPANY</b>
Proceeds from the disposal	330.000	330.000
Direct cost relating to the disposal	(36.784)	(36.784)
Cost of investment sold (note 5)	-	(51.017)
Net assets of Q Telecommunications disposed	(51.984)	-
<b>Profit before taxes from the disposal of Q Telecommunications</b>	<b>241.232</b>	<b>242.199</b>
Income tax expense	4.267	4.267
<b>Profit after taxes from the disposal of Q Telecommunications</b>	<b>236.965</b>	<b>237.932</b>

The consideration received was paid in cash.

An amount of €22,6 million, which relates to the charge imposed by EETT due to the change of control that resulted from the sale of Q Telecommunications S.A. is included in the direct expenses. The Company has filed a lawsuit disputing the above mentioned charge (refer to Note 8).

The net assets disposed are as follows:

*Amounts in Euro thousands*

Cash and cash equivalents	9.467
Property, plant and equipment	61.406
Intangible assets	24.771
Deferred income tax asset (net)	3.008
Inventories	1.279
Receivables	44.391
Liabilities	(67.181)
Borrowings	(25.000)
Retirement benefit obligations	(157)
<b>Net assets disposed</b>	<b>51.984</b>

For the purposes of the cash flow statement, the cash inflow, which arises from the disposal of Q Telecommunications S.A. is as follows:

*Amounts in Euro thousands*

	<b>GROUP</b>	<b>COMPANY</b>
Sale consideration settled in cash	330.000	330.000
Direct cost relating to the disposal	(36.784)	(36.784)
Cash and cash equivalents in subsidiary disposed	(9.467)	-
<b>Cash inflow from the disposal of Q Telecommunications</b>	<b>283.749</b>	<b>293.216</b>

### 13. Prior period adjustment

As stated in the annual financial statements for the year ended 31 December 2005, upon the implementation of new accounting software during 2005, the Company determined that a correction was required to the prior period financial statements determined upon transition to IFRS, relating to revenue from telecommunications activities. Therefore, the financial information of the 1<sup>st</sup> Quarter of 2005 has been restated.

The Company has made an announcement regarding the above corrections and has filed the announcement on the Daily Official List of Announcements of the Athens Stock Exchange and on the Company's website. The Company has also submitted the corrected financial information of the 1<sup>st</sup> Quarter of 2005, in compliance with the Announcement of the Hellenic Capital Market Committee dated 24 March 2006.



As already stated in the above mentioned Company announcement, the effect of the restatement to the Balance Sheet as at 31 March 2005 is as follows:

<i>Amounts in Euro thousands</i>	<u>31/3/2005</u>
<b>Balance Sheet effect</b>	
Increase in Trade and other receivables	231
Increase in Trade and other payables	(1.986)
Increase in Deferred tax asset	562
Decrease in equity	<u>(1.194)</u>

The results of the Company for the period ended 31<sup>st</sup> March 2005 did not require a restatement.

#### 14. Related party transactions

The following transactions were carried out with related parties:

<i>Amounts in Euro thousands</i>	<u>GROUP</u>		<u>COMPANY</u>	
	1/1to 31/3/2006	1/1 to 31/3/2005	1/1to 31/3/2006	1/1 to 31/3/2005
i) Sales of goods and services	1.840	1.232	2.646	1.898
ii) Purchases of goods and services	508	636	1.209	1.602
iii) Benefits to management	892	681	502	295
iv) Period end balances from sales-purchases of goods/services				
- Receivables from related parties	1.342	963	2.313	4.923
- Obligations to related parties	444	632	709	2.578

Services from and to related parties as well as sales and purchases of goods, take place on the basis of the price lists in force with non related parties.

#### 15. Earnings per share

##### Basic and diluted

Basic and diluted earnings per share are calculated by dividing profit attributable to ordinary equity holders of the parent entity, by the weighted average number of ordinary shares outstanding during the period, and excluding any ordinary treasury shares that were bought by the Company.

##### Continuing operations

<i>Amounts in Euro thousands</i>	<u>GROUP</u>		<u>COMPANY</u>	
	1/1to 31/3/2006	1/1 to 31/3/2005	1/1to 31/3/2006	1/1 to 31/3/2005
Profit from continuing operations attributable to equity holders of the Company	325	362	359	446
Weighted average number of ordinary shares in issue	48.705.220	48.628.842	48.705.220	48.628.842
Basic and diluted earnings (Euro per share)	<u>0,007</u>	<u>0,007</u>	<u>0,007</u>	<u>0,009</u>

**Discontinued operations**

<i>Amounts in Euro thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>
Profit from discontinued operations attributable to equity holders of the Company	238.056	1.014	237.932	1.015
Weighted average number of ordinary shares in issue	48.705.220	48.628.842	48.705.220	48.628.842
Basic and diluted earnings (Euro per share)	4,888	0,021	4,885	0,021

**Total continuing and discontinued operations**

<i>Amounts in Euro thousands</i>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>	<b>1/1to 31/3/2006</b>	<b>1/1 to 31/3/2005</b>
Profit attributable to equity holders of the Company	238.382	1.376	238.291	1.461
Weighted average number of ordinary shares in issue	48.705.220	48.628.842	48.705.220	48.628.842
Basic and diluted earnings (Euro per share)	4,894	0,028	4,893	0,030

**16. Periods not inspected by the tax authorities**

The last periods inspected by the tax authorities for each company of the Group, are as follows:

<b><u>Companies</u></b>	<b><u>Audited by tax authorities up to the year</u></b>
INFO-QUEST SA	2001
DECISION SA	2000
COMPUTER CLUB SA	2002
ΙΩΝΙΚΗ ΕΠΙΝΟΙΑ SA	1999
ACS SA	2004
UNITEL HELLAS SA	2002
QUEST ALBANIA	2004
ACS ALBANIA	2003
ACS COURIER SH.p.k.	Unaudited

**17. Number of employees**

Number of employees at the end of the current period: Group 1.182, Company 542.

**18. Events after the balance sheet date**

The Company has commenced the procedures necessary for the establishment of a subsidiary company named "Quest Energy S.A." with a Share Capital of €150 thousand and headquartered in Kallithea, Attika. The new entity in which the Company participates with 99,93% will be active in the study and research for modern technologies of energy production.

Apart from the above detailed item and the contingent liabilities referred to in Note 8, no further events have arisen after the balance sheet date.