

PrimeTel: Six-month results 2008 – PO to Spidernet

Pursuant to the provisions of the CSE Law and Regulations and the SEC, we wish to inform you that at the meeting held on August 18, 2008 at 4.00 pm at the Company's office, 89 Limassol Avenue, Aglantzia, the Board of Directors of Primetel Plc examined and approved the unaudited results for the six months ended June 30, 2008, which were prepared pursuant to the International Accounting Standard 34 – "Interim Financial Statements". The results are attached. Copies will not be posted to the shareholders but will be available free of charge at the Company's registered office, 141 Omonias Avenue, 3045 Limassol and the Company's website (www.primetel.com.cy) at Investors' Information / Announcements.

At the same meeting, the Board of Directors decided to announce its intention to submit a public offer for the acquisition of up to 100% of the issued share capital of Spidernet Services Public Limited against new titles that will be issued for this reason subject to the shareholders' approval.

Consolidated Profit and Loss Account

For the Period ended June 30 2008

| | 1.1.2008- 30.6.2008 € | 1.1.2007- 30.6.2007 € |
|--|-----------------------------|-----------------------------|
| Turnover | 11.177.862 | 5.680.961 |
| Operating expenses | (6.269.373) | (3.563.835) |
| Gross profit | <u>4.908.489</u> | <u>2.117.126</u> |
| Other operating income | 90.073 | 51.258 |
| Selling expenses | (742.021) | (524.291) |
| Administrative expenses | <u>(2.832.198)</u> | <u>(2.079.195)</u> |
| Operating profit/(loss) before depreciations and net finance cost | 1.424.343 | (435.102) |
| Depreciations | <u>(1.117.894)</u> | <u>(858.213)</u> |
| Operating profit/(loss) before net finance cost | 306.449 | (1.293.315) |
| Finance Income | 85.351 | 656 |
| Finance cost | <u>(520.784)</u> | <u>(404.306)</u> |
| Net finance cost | (435.433) | (403.650) |
| Loss before taxation | (128.984) | (1.696.965) |
| Taxation | <u>11.995</u> | <u>156.253</u> |
| Loss for the period | (116.989) | (1.540.712) |
| Basic and fully diluted loss per share | <u>(0.08)</u> | <u>(1.19)</u> |

Consolidated Balance Sheet as at June 30 2008

| | June 30 2008 € | December 31 2007 € |
|---|----------------------|--------------------------|
| ASSETS | | |
| Non current assets | | |
| Property plant and equipment | 14.389.852 | 11.349.219 |
| Intangible asset | 14.606.830 | 6.761.242 |
| Deferred taxation | 879.208 | 867.213 |
| Investment in subsidiary | <u>1.000</u> | <u>--</u> |
| | <u>29.876.890</u> | <u>18.977.674</u> |
| Current assets | | |
| Stock | 1.894.911 | 1.161.897 |
| Trade and other debtors | 4.552.584 | 3.276.113 |
| Amount due from related companies | 318.031 | 96.632 |
| Amount due from subsidiary | 1.321 | - |
| Amounts due from holding company | 427.734 | 383.536 |
| Amount due from final holding company | 1.552 | - |
| Cash in hand and at bank | <u>11.005.928</u> | <u>1.147.905</u> |
| | <u>18.202.061</u> | <u>6.066.083</u> |
| Total assets | <u>48.078.951</u> | <u>25.043.757</u> |
| Equity and Liabilities | | |
| Equity | | |
| Share Capital | 24.225.000 | 24.347.571 |
| Accumulated losses | <u>(19.777.709)</u> | <u>(19.660.720)</u> |
| Reserves | <u>2.176.105</u> | <u>2.074.225</u> |
| Advance payments for acquisition of shares | <u>5.166.720</u> | <u>-</u> |
| | <u>11.790.116</u> | <u>6.761.076</u> |
| Non current Liabilities | <u>16.314.262</u> | <u>8.058.960</u> |
| Long term loans | 1.686.012 | 1.524.845 |
| Trade liabilities | 18.000.274 | 9.583.805 |
| Current Liabilities | | |
| pay..... | 4.761.401 | - |
| Amounts due from related companies | 224.638 | 348.365 |
| Current bank accounts and current installments of long term loans | 4.584.260 | 1.898.005 |
| Trade and other liabilities | 8.714.286 | 6.448.530 |
| Taxation due | <u>3.976</u> | <u>3.976</u> |
| Total Liabilities | <u>18.288.561</u> | <u>8.698.876</u> |
| Total equity and liabilities | <u>48.078.951</u> | <u>25.043.757</u> |