

INTERIM MANAGEMENT REPORT:

The Board of Directors of Primetel Plc at a meeting held on 14th November 2008, examined and approved the Interim Management Report for the second half of 2008, covering the period since 01/07/2008 in accordance with Article 11 of the Transparency Requirements (Moveable Securities for Trading at a Regulated Market) Law of 2007 (N.190 (I) 2007), as follows:

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The main activity of the Company remains the provision of telecommunication services and digital television. The results of the Company for the period from 01/07/2008 to date show significant improvement over the corresponding period of 2007 and are increased compared to those at the first half of 2008, because of continuing growth of the clientele of the Company. The financial crisis which affects the world in recent months has not affected the demand for services provided by the Company.

Other Corporate Facts

On 19th September 2008 the Company decided to finalize the Public Offer to the shareholders of SpiderNet Services Public Ltd for the buy-out of 100% of its share capital. On 21st October 2008 The Cyprus Securities and Exchange Commission approved the proposal of the Public Offer document of Primetel Plc to SpiderNet Services Public Ltd. The period of acceptance of the Public Offer commenced on 29th October 2008 and is ending on 27th November 2008.

During the First Period for the Exercise of the Share Warrants 2008/2011 of the Company ('Warrants') (1st to 10/11/2008), from 26.266.839 Warrants that were issued and allotted, none has been exercised at the determined price of € 0,36 per Warrant.

The Company continues its efforts to provide a high level of services and customer service, together with the maintenance of high growth rates and increase of its market share. Within this context the Company continues the expansion of its telecommunication network both at the national and the international level. Especially for the international network, the works are continuing regularly for the submerging of the undersea cable system "Hawk System" in cooperation with Reliance Globalcom at the Company's owned facilities in Geroskipou – Paphos. The system is expected to be operational by mid 2009. With the operation of the cable the Company will gain access to very important capacity in the international network which will create conditions for Internet services at much higher speeds and more beneficial conditions.

Also an important development to the growth of the network infrastructure of the Company is the commencement of works for the development of own fiber optic

network along the highways of the Republic of Cyprus that creates enormous possibilities for interconnection and routing of traffic as well as securing the uninterrupted operation of the Company's network.

During the period under review there were no any other main events and transactions beyond the normal operations of the Company, which would have an impact on the financial position of the Company.

Further analysis of the events and results will be given to announcement of annual results of the Company at the end of February 2009.

Sincerely

AAA Regent Consultants Limited

Secretary