

Primetel: Interim Management Statement (8/5/2009)

Primetel: Interim Management Statement

At a meeting held on May 7, 2009, the Board of Directors of Primetel Plc examined and approved the Interim Management Statement for the first half of 2009. The Interim Management Statement for the period from January 1, 2009 to May 7, 2009 has been prepared pursuant to the provisions of Article 11 of the Transparency Requirements Law 2007 and has not been audited by the external auditors of the Group.

Main activities

The Group continued with its main activities, which focus on the provision of electronic communications and leisure services, as well as completed solutions for business and housing customers.

General information

The turnover during the period showed an increase compared to the corresponding period of 2008 due to the ongoing increase in the customers' list but it is lower than expected due to the difficult economic conditions in the market in the past few months.

During the period, the Group invested around €2 million in infrastructure and development projects.

Other corporate events

In early April 2009, the Company completed the squeeze out procedure for the acquisition of the total share capital of Spidernet Services Public Limited. Prior to the squeeze out, the Company had submitted a Public Offer and had acquired 95.86% of the share capital of Spidernet.

The Group continues its efforts for the provision of high-level services, maintaining high growth rates and increasing its market shares. Therefore, it continues with the expansion of the telecommunications network in national and international level.

A significant development in the development of the infrastructure network is the development of the self-owned network of optical fibres along the highways of the Republic, which secure the continuous operation of the network. The works along Limassol-Paphos highway have already been completed and those of Limassol-Nicosia highway will be completed soon.

There were no other significant facts and transactions affecting the Group's economic condition during the period.

Main risks and uncertainties

The main risks and uncertainties that the Group faces are described in the Annual Report 2008.

The Cyprus economy is still affected by the global economic crisis and the Group's growth rate is lower than expected. Therefore, no safe estimates can be made for the rest of the year.