

**PUPIN TELECOM AD**

Financial statements for the year ended 31 December 2005.

**BALANCE SHEET**

**ASSETS:**

	I T E M	2005		2004	
		CSD ( 000 )	EUR	CSD ( 000 )	EUR
<b>A</b>	<b>NON-CURRENT ASSETS</b>	<b>764,529</b>	<b>8,942</b>	<b>404,024</b>	<b>5,122</b>
	1 Subscribed shares unpaid	1,306	15	11,973	152
	2 Intangible assets	263	3	377	5
	3 Property, plant and equipment	585,145	6,844	272,570	3,455
	4 Equity investment	173,323	2,027	114,338	1,449
	5 Other long term financial investmens	4,492	53	4,766	60
<b>B</b>	<b>CURRENT ASSETS</b>	<b>125,192</b>	<b>1,464</b>	<b>198,489</b>	<b>2,516</b>
	1 Inventories	20,349	238	127,468	1,616
	2 Trade and other receivables	43,111	504	29,966	380
	3 Short term financial investments	38,806	454	19,193	243
	4 Cash and cash equivalents	22,602	264	21,765	276
	5 Accrued income and prepayments	324	4	97	1
<b>C</b>	<b>TOTAL ASSETS (A+B)</b>	<b>889,721</b>	<b>10,406</b>	<b>602,513</b>	<b>7,638</b>
<b>EQUITY AND LIABILITIES:</b>					
<b>A</b>	<b>EQUITY</b>	<b>808,328</b>	<b>9,454</b>	<b>463,141</b>	<b>5,871</b>
	1 Share and other capital	345,476	4,041	345,467	4,379
	2 Subscribed unpaid shares	1,306	15	11,973	152
	3 Reserves	35,016	410	4,998	63
	4 Revaluation reserves	309,453	3,619	2,254	29
	5 Retained earnings	117,077	1,369	98,449	1,248
<b>B</b>	<b>LONG-TERM LIABILITIES</b>	<b>1,496</b>	<b>17</b>	<b>0</b>	<b>0</b>
	1 Long-term provisions	0	0	0	0
	2 Long-term loans	0	0	0	0
	3 Other long-term liabilities	1,496	17	0	0
<b>C</b>	<b>SHORT-TERM LIABILITIES</b>	<b>79,897</b>	<b>934</b>	<b>139,372</b>	<b>1,767</b>
	1 Short-term financial liabilities	55,000	643	0	0
	2 Advances from customers and others	24,399	285	138,251	1,753
	3 Sales tax and other indirect taxes payable	12	0	739	9
	4 Other current liabilities	486	6	382	5
<b>D</b>	<b>TOTAL LIABILITIES AND EQUITY (A+B+C)</b>	<b>889,721</b>	<b>10,406</b>	<b>602,513</b>	<b>7,638</b>