

## PUPIN TELECOM AD

Financial statements for the year ended 31. December 2005

### CONSOLIDATED INCOME STATEMENT

	I T E M	2005		2004	
		(000s CSD)	(000s EUR)	(000s CSD)	(000s EUR)
<b>I</b>	<b>OPERATING REVENUE</b>	<b>1,366,702</b>	<b>15,985</b>	<b>2,085,503</b>	<b>26,437</b>
	Sales	1,355,711	15,856	1,925,708	24,412
	Other operating revenues	10,991	129	159,795	2,026
<b>II</b>	<b>OPERATING EXPENCES</b>	<b>1,402,621</b>	<b>16,405</b>	<b>1,965,246</b>	<b>24,913</b>
	Cost of commercial goods sold	64	1	4,319	55
	Costs of materials	530,743	6,208	994,144	12,602
	Depreciation and amortization	107,622	1,259	186,744	2,367
	Salaries and other benefits to employees	529,127	6,189	494,856	6,273
	Other operating expences	235,065	2,749	285,183	3,615
	<b>OPERATING INCOME / LOSS ( I-II )</b>	<b>-35,919</b>	<b>-420</b>	<b>120,257</b>	<b>1,524</b>
<b>III</b>	Financial revenue	147,127	1,721	86,821	1,101
<b>IV</b>	Financial expences	36,764	430	33,784	428
<b>V</b>	Other revenues	89,529	1,047	44,811	568
<b>VI</b>	Other expences	18,336	214	45,985	583
<b>VII</b>	<b>INCOME BEFORE INCOME TAX</b>	<b>145,637</b>	<b>1,703</b>	<b>172,120</b>	<b>2,182</b>
<b>VIII</b>	<b>INCOME TAX</b>	<b>6,627</b>	<b>78</b>	<b>8,058</b>	<b>102</b>
	<b>NET INCOME ( VII-VIII )</b>	<b>139,010</b>	<b>1,626</b>	<b>164,062</b>	<b>2,080</b>