

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF EUROWEB ROMANIA S.A.

(THIS IS A FREE TRANSLATION OF THE ORIGINAL ROMANIAN VERSION)

Report on financial statements

1. We have audited the accompanying financial statements of EUROWEB ROMANIA S.A. ("The Company") which comprise the balance sheet as at 31 December 2006, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements mentioned above refer to:

- | | |
|------------------------------------|---------------|
| • Net assets / Total equity | 7,842,950 lei |
| • Net profit of the financial year | 1,639,261 lei |

Management's responsibility for the financial statements

2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with Order of Finance Minister no. 1752/2005 updated with the subsequent changes. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the audit standards adopted by the Romanian Chamber of Financial Auditors. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

6. In our opinion, the financial statements have been prepared, in all significant respects, in accordance with the Order of Finance Minister no. 1752/2005 updated with the subsequent changes and accounting policies presented in the notes to these financial statements.

Other matters

7. This report is addressed exclusively to the Shareholders of the Company on the whole. Our audit was conducted in order to report to the Shareholders of the Company those matters that we must report in conducting a financial audit, and not for other purposes. As long as it is permitted by the law, we do not accept and do not take our responsibility towards other party than the Company and its Shareholders on the whole, for our audit, for this report or for our opinion expressed.
8. The accompanying financial statements are not intended to present the financial position, the result of the operations and a complete set of notes to the financial statements in accordance with standards and accounting policies accepted in other countries and jurisdictions than Romania. From this reason, the accompanying financial statements are not prepared for the use of individuals which are not familiar with the accounting and legal standards from Romania, including the Order of Finance Minister no. 1752/2005 updated with the subsequent changes.

Report on conformity of the Administrators' Report with financial statements

In accordance with Order of Finance Minister no. 1752/2005, article 263, point 2, we have read the accompanying Administrators' Report. The Administrators' Report is not a part of the financial statements. In the Administrator's Report we have not identified disclosures which could be significantly different from the disclosures presented in the accompanying financial statements.

KPMG Audit SRL
Bucharest, 2 February 2007

Bucharest, 7 April 2008