

hellas online - 9 MONTH 2008 RESULTS

- 119.3% revenue growth y-o-y
- Approaching EBITDA breakeven on a quarterly basis in Q308
- Rapidly gaining share: LLU market share increase by 4.4 pps to 18.1% today from 13.7% at year-end 2007
- c.22% share of LLU net additions in Q3 driving total broadband customer base to c. 122 thousand at the end of September
- Accelerating LLU activation rate momentum: Over 115,000 LLU customers today
- Largest altnet independent proprietary fiber optic network expands further to over 3,500 km nationwide
- Dynamic expansion with 72 new collocations at incumbent local exchanges since the end of June 2008 led to the widest LLU footprint among all competitors with 175 unbundled local exchanges today
- Investments of c.€60 million, exceeding €173 million in total since the beginning of 2006

ATHENS, November 18, 2008 - *hellas online* (ATHEX: HOL) announces consolidated interim financial results for the nine months ended September 30, 2008 under IFRS. The financial results of Attica Telecommunications S.A., which was acquired by hellas online in April 2007, are consolidated since May 1, 2007.

In a transformative year for hellas online the strategic choice of a business model based on proprietary infrastructure with low operating costs and the focus on local loop unbundling are driving the company's performance towards continuously higher levels. As the first half's momentum is accelerating, hellas online captured an increasing share of LLU net additions, with its LLU customer base exceeding 115,000 today, while at the same time it significantly enhanced its financial performance. Consolidated revenues for the nine months increased by over two times year on year while the improvement in EBITDA¹ performance continued, with the group approaching operating profitability in Q308 on a quarterly basis.

Summary consolidated operating and financial performance

	9M08	9M07	Δ
Total Broadband customers*	121,587	68,648	+77.1%
Active LLU customers / Total Broadband customers	72.2%	20.6%	+51.6pps

€ thousand	Q308	Q307	9M08	9M07
Revenues	26,478	13,285	73,986	33,745
Gross Profit	1,109	725	4,549	-2,592
EBITDA	-381	-1,649	-3,480	-10,097

**Includes pending applications for line activations and DSL customers through hellas online's commercial cooperation with Vodafone Greece for the provision of "White Label" services.*

Focus on Local Loop Unbundling

The strategy of focusing on advanced broadband services for corporate and residential customers through unbundled local loops continues to bring in tangible results, as hellas online's position in the LLU market is increasingly advancing.

The considerable customer base expansion in the third quarter is the result of further own network expansion, the implementation of a full-scale commercial plan and the ongoing enhancement of the customer experience.

As its LLU customer acquisition momentum is accelerating, hellas online captured c.22% of the market net additions during Q308, bringing its total active LLU customer base at the end of September 2008 to 72.2% of its total broadband customer base, from 65.3% at the end of June 2008 or 20.6% at the end of September 2007. As a result, total number of broadband customers at the end of September 2008 reached 121,587, up 77.1% y-o-y.

hellas online continues capturing increasingly higher share of net additions, with its total LLU customers now exceeding 115,000, corresponding to 18.1% market share today, 4.4 percentage points higher than year-end 2007.

ARPU for the new hol double play service stood at € 46.5 for the nine months 2008.

Consolidated financial performance

Consolidated revenues for the nine months 2008 increased by 119.3% y-o-y to € 74.0 million from € 33.7 million in the corresponding period of 2007, as a result of the continuous strong uptake of hellas online's LLU services and increasingly higher revenues from corporate customers.

The significant revenue increase and the strategic choice of a proprietary infrastructure based business model with lower operating costs, led to significant improvement in consolidated gross profit, which reached €4.5 million in the nine month period compared to €2.6 million losses in the corresponding period last year. Gross profit margin improved by 13.8 percentage points y-o-y to reach 6.1% in the nine months 2008.

The ongoing focus on cost control led to substantial improvement in the operating result. Consolidated EBITDA amounted to - € 0.4 million in Q308 versus - € 1.6 million in Q307, with the group approaching EBITDA breakeven on a quarterly basis in Q308, despite the robust market share gains achieved during the quarter. Consolidated EBITDA for the nine months 2008 reached - € 3.5 million compared to - € 10.1 million in the corresponding period last year.

Depreciation and amortization expenses rose significantly by 119,1% y-o-y to € 17.3 million for the nine month period, as a result of the continuous increase of the group's investments on own infrastructure, adversely affecting the group's net losses before tax, that amounted to € 27.5 million for the nine month period compared to €20.6 in the nine months of 2007.

Network expansion

hellas online's proprietary fiber optic network comprises over 3,500 km nationwide, having expanded by c. 1,000 km since the beginning of the year, covering the major part of mainland Greece and reaching 84 cities. With 175 collocations at the incumbent's local exchanges (95 activated sites since the beginning of the year, 72 of which since the end of June) providing access to 60% of the incumbent's lines, hellas online is now the largest LLU operator in terms of geographic coverage.

As hellas online continues to aggressively invest in own network infrastructure and best in class IT systems to enhance quality of service and cost efficiency, the group's capital expenditures

during the nine months of 2008 reached €59.9 million, amounting in total € 173.2 million since the beginning of 2006.

At the end of the nine months the group's net debt stood at € 168.8 million. In October 2008 hellas online signed a six year syndicated bond loan of € 144.5 million. The loan is covered by seven Greek banks and its proceeds will be used to refinance existing indebtedness.

"The accelerating momentum during Q3 vindicates our strategy, which is leading hellas online's performance towards continuously higher levels. We already approached EBITDA breakeven in Q3, while capturing an increasing share of LLU net additions, a trend becoming visibly stronger at the beginning of Q4. At the same time, we expanded our LLU footprint to become the largest alternative operator in the market in terms of geographic coverage and significantly enhanced the overall customer experience." **stated Nassos Zarkalis, hellas online's Chief Executive Officer.** "Having established a leading presence in the Greek fixed telephony and broadband services market, we continue to relentlessly focus on execution, targeting our goal for strong ongoing profitable growth."

¹ EBITDA is a non IFRS financial indicator, defined and used by the company

Note on forward looking statements:

Certain statements contained in this document not referring to historical facts are forward-looking statements and can be identified by the use of forward-looking terminology such as "believes," "estimates," "plans," "projects," "expects," "intends," "targets," "may," "is expected to," "will," "will continue," "should," "would be," "seeks" or "anticipates" or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans, prospects, anticipated growth, objectives, goals, future events or intentions. These forward-looking statements reflect our current views with respect to future events and are subject to certain known or unknown risks, uncertainties and assumptions. A number of factors could cause our actual results, performance or achievements to be materially different from the future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given the uncertainties of forward-looking statements, we cannot assure you that projected results or events will be achieved and caution you to not place undue reliance on these statements.

Forward-looking statements speak only as of the date of this document and we expressly disclaim any obligation or undertaking to publicly update or revise any forward-looking statements in this document to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based.

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Investor Relations:

Rania Bilalaki

Tel: +30 213 000 4190

ir@hol.net

www.hol.gr/ir/en

About hellas online

hellas online (which now consists of legacy (pre-merger) hellas online and Unibrain) is one of the leading fixed-line telecommunications services providers in Greece offering a broad range of retail, business and wholesale services. hellas online owns and operates the largest core backbone network in Greece, expanding throughout the country, second only to that of the incumbent. hellas online, part of the Intracom Holdings group, is listed on the Athens Stock Exchange.