

## Financial Results 9month 2013

hellas onlineBoost in pre-tax profit to €2.4 million

- EBT reached €2.4 million
- EBITDA increased by 7.9% at €53.4mil from € 49.5 mil compared to last year
- EBITDA Margin at 31.4%
- Net Debt decreased by €11.3mil compared to 9m 2012
- 506.118 LLU customers an increase of 4.2% compared to 9m 2012

Hellas online (ATHEX: HOL) announces consolidated financial results for the 9month period of 2013, under IFRS.

Commenting on the 9m 2013financial results and recent developments, the CEO of hellas online Mr Antonis Kerastaris stated: "In the nine-month period of 2013 hellas online continues to grow, expanding its customer base, increasing both EBITDA and pre-tax profit and despite this difficult economic environment, total investment grew by 23%. Ebitda margin is more than 31% over sales for the nine-months, among the top ranking of the Europeantelecom industry; while the increased investments ensure these results over time. The improvement of our company in all areas allows us to focus and prepare for the next day concerningtelecommunications in Greece. "

### Financial Results

€	Q3 '13	Q3 '12	Difference %	9M '13	9M '12	Difference %
Revenues	57.139.404	59.315.846	(3,7%)	169.985.850	182.065.623	(6,6%)
EBITDA <sup>1</sup>	18.704.078	15.920.862	17,5%	53.408.947	49.487.242	7,9%
as % of Revenues	32,7%	26,8%	+5,9μov	31,4%	27,2%	+4,2μov
EBT	1.810.632	(4.623.784)	-	2.413.953	(12.509.363)	-
Capex	9.143.738	5.878.111	55,6%	25.331.384	20.641.736	22,7%
Free cash flow	1.769.566	221.383	699,3%	5.593.377	9.411.213	(40,6%)
Net Debt	161.315.222	172.628.177	(6,6%)	161.315.222	172.628.177	(6,6%)

**Total Revenues** amounted to €170.0mil from €182.1mil compared to the same period last year, reduced by €12.1 mil. (-6.6%) The decrease in revenue primarily impacted by reduced termination rates towards fixed and mobile, impacting revenues in wholesale sector as well as termination revenue towards hellas online, estimated to represent 75% or €9.2mil of revenue loss. Excluding the impact of the terminationrate cuts, revenue in the controlled sectors has fallen only by -1.9%, performance judged satisfactory considering the intense price competition which continued unabated in the third quarter of the year.

**EBITDA** increased by 7.9% to €53.4mil compared to €49.5mil compared to the same period last year. The increase is attributed to measurestaken to curtail operating costs, which offset the revenue loss from operating activities. Furthermore, an attempt to optimize debt collection during the past1.5 yearhas brought significant results, provision for doubtful debts were reduced by 35% compared to 9m 2012.

At the same time, a significant reduction in depreciation costs by € 7.3mil and financial costs by € 3.7mil contribute to a further strengthening EBT reaching € 2.4mil for the 9m 2013, being residualto the targets that were set for the fiscal year.

**FreeCash Flow** amounted to € 5.6mil versus € 9.4mil compared to the same period last year. The decrease arises from higher repayments towards vendors, excluding repayments of about €4mil regarding a network exchange agreement that will be offset against receivables until the end of the year. Adjusting for the aforementioned €4mil creditor's outstanding balance reached € 68.8mil, a decrease of over €11mil compared to the end of 2012.

In addition, the strong cash flow performance enabled furtherer reduction in net debt position that stood at €161.3mil, improved by € 4.8mil compared to Q4 2012 and over €11.3mil compared to the same period last year.

### Customer Base

	Sep 30, 2013	Sep 30, 2012	Difference %
Active LLU Customers	506.181	485.563	4,2%
Net New LLU Additions	13.628	19.224	(29,1%)
LLU Market Share	27,1%	27,6%	-0,5μov
Total Broadband Customers	510.660	491.715	3,9%
Net New Broadband Additions	12.542	17.721	(29,2%)

Total LLU customer base at 9m 2013 reached 506.181 customers, an increase of 4.2% compared to 9m 2012, estimated market share of 27.1%. The intense competition which continued to be persistent in the third quarter has led to a loss of market share of 0.5% compared to 9m2012, nevertheless it is a mindful choice to offer substantial and enduring propositions to customers rather than opportunistic plans while ensuring HOL's financial stability at the same time.

### Capital Expenditures

Investments in the current fiscal year amounted to € 25.3 million, increased by 23% compared with the same period last year. Since the beginning of 2006 capital expenditures is approaching €430mil, driving the expansion of the most extensive proprietary fiber optic network in Greece, and the optimization of technology systems for better customer services, upgrading international connection to further increase capacity , in addition to offering hol cloud services.

The privately owned fiber optic network of hellas online spans over 5,000 km nationwide, providing access to 75% of the OTE lines with 335 collocations in OTE nodes reaching 50 counties and 141 cities.

### Recent Developments

Hellas online broke new ground once again; it's the first fixed telephony and internet provider that launched streaming music service for its subscribers. "Hol music club by akazoo" enables subscribers of hellas online to enjoy over 15 million songs, among Greek and foreign repertoire, via PC, tablet and mobile. The service was implemented in collaboration with the music company InternetQ, Akazoo service.

The new flexible propositions that were launched by hellas online at the beginning of the 3rd quarter were the first to be introduced in the Greek Market and give to the consumer a choice to utilize airtime at local, long distance, but also towards all mobiles

as he wishes. These new packages already found a great response from domestic customers, as one in four new subscribers select "hol double play flexy".

"The "hol video club" in its two year life span has managed to give the Greek audience a different interactive viewing experience, with more than 3,000,000 video on demand views, demonstrating the subscriber's interest of such service. With 32 television channels covering all the needs, the largest video on demand content that reaches 4,000 titles-in cooperation with world-class producers and distributors (The Walt Disney Company, Warner Bros., 20th Century Fox, Universal, Paramount, Sony Pictures, MGM, Miramax) and with domestic content distributors (Odeon, Village, Hollywood Entertainment, PCV, Web Entertainment) and the user friendly application, "hol video club" offers a comprehensive economic entertainment solution at home.

Hellas online continues to strengthen its customer portfolio offering "holcloud" services which gives a competitive advantage to the business market, covering comprehensive and affordable business needs in information technology and telecommunications. Hellas online now provides services such as Disaster Recovery as a Service (DRaaS), Security as a Service (SecaaS), as well as Desktop as a Service (DaaS-desktop virtualization). At the same time, in accordance with the published study of CloudeAssurance, which is an internationally recognized institution in the field of cloud security, Intracom Telecom, which is the technological provider of cloud services for hellas online, is classified among the ten leading worldwide technology providers for hol cloud security and safe operations.

Finally, the solid corporate clientele of hellas online continues to be strengthened with new customers such as Digital Ecosystems, Peninsula Petroleum, BANOS AE, Tribe, etc., whilst broadened partnerships with clients such as Piraeus Bank, Eurobank, EChAE, Telefonica, Lapin House, Management, Leroy Melrin, Seamar, IASO, Homenet, SYNET Pharmacists offering telecommunications services and/or cloud services.

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<sup>1</sup>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*



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**Information about hellasonline's press release**

Christina Geronicola, Corporate Communications Director, τηλ.: 213 000 4270, email: [christina.geronicola@hol.net](mailto:christina.geronicola@hol.net)

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***About hellas online***

*hellas online 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.*