

## **OTE GROUP REPORTS 2014 THIRD QUARTER RESULTS** **UNDER IFRS**

- **Adjusted Net income after minorities up 24.3% to €94mn**
- **Strong FCF generation continues; Adjusted FCF up 20% to €126mn**
- **Group EBITDA margin up 120bps, at 37.6%, highest since 2009**
- **Greek-fixed EBITDA up 8.9% (40.1% margin, up 440bps)**
- **Significant investments**
  - **Accelerated CapEx in Greek and Romanian Fixed**
  - **€135mn spectrum acquisition in Q4 to enhance 4G offering in Greece**
- **Net Debt at €1.4bn, down another 5% from 2013 year-end level**
  - **Net Debt/EBITDA ratio at 1.0x**

**ATHENS, Greece - November 6, 2014 - Hellenic Telecommunications Organization SA** (ASE: HTO; OTC MARKET: HLTOY), the Greek full-service telecommunications provider, today announced consolidated results (prepared under IFRS) for the quarter and nine months ended September 30, 2014.

<b>(€ mn)</b>	<b>Q3 '14</b>	<b>Q3 '13</b>	<b>Change</b>	<b>9M '14</b>	<b>9M '13</b>	<b>Change</b>
Revenues	987.6	1,039.9	-5.0%	2,901.9	3,008.6	-3.5%
EBITDA	367.4	368.8	-0.4%	1,041.1	1,057.2	-1.5%
as % of Revenues	37.2%	35.5%	+1.7pp	35.9%	35.1%	+0.8pp
Pro forma EBITDA*	371.1	379.0	-2.1%	1,050.7	1,074.9	-2.3%
as % of Revenues	37.6%	36.4%	+1.2pp	36.2%	35.7%	+0.5pp
Net Income	69.1	252.6	-72.6%	194.2	476.5	-59.2%
Adjusted Net Income**	94.2	75.8	+24.3%	223.8	189.9	+17.9%
Basic EPS (€)	0.1411	0.5154	-72.6%	0.3982	0.9722	-59.0%
Adj. Net Operating Cash Flow ***	276.2	213.6	+29.3%	635.2	702.2	-9.5%
Adj. CAPEX ***	149.8	108.5	+38.1%	424.0	321.1	+32.0%
Adj. Free Cash Flow***	126.4	105.1	+20.3%	211.2	381.1	-44.6%
Cash & Other financial assets	1,314.3	1,723.0	-23.7%	1,314.3	1,723.0	-23.7%
Net Debt (Underlying)	1,427.4	1,664.8	-14.3%	1,427.4	1,664.8	-14.3%

\* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans

\*\* Excluding one-off items - See Reconciliation table, Page 3.

\*\*\* Cash Flow excluding discontinued operations, Voluntary Exit Programs, Restructuring and/or Spectrum payments

**Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations – but HellasSat included in 9M'13)**

Commenting on OTE's third quarter results, Michael Tsamaz, Chairman & CEO, noted: "Our revenue performance this quarter reflects the continuing stabilization of our Greek operations, with fixed-line operations delivering solid results in broadband and television services, and resilient service revenues in mobile. This partially offset lower revenues in our international mobile operations, impacted by MTR cuts and intense competition. Thanks to past and ongoing actions on our cost base, we delivered a solid improvement in profitability at the EBITDA and net income levels while we also generated solid increases in operating and free cash flows in the quarter. "

Mr. Tsamaz added: "Our competitive edge comes from offering our customers an unparalleled experience. To this end we continue investing substantial amounts to sustain the fastest and most reliable network and enrich our TV proposition content. At the same time, we further improved our financial structure, one of the strongest in our peer group. In conditions that remain persistently challenging, we are confident we will meet our €500mn free cash flow year-end target and continue to deliver strong profitability and cash flow in the last quarter of 2014 and next year."

## FINANCIAL HIGHLIGHTS

### BREAKDOWN OF GROUP REVENUES

(€ mn)	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
Fixed Line Operations, Greece	376.4	388.1	-3.0%	1,119.5	1,165.1	-3.9%
Fixed Line Operations, Romania	151.3	152.6	-0.9%	457.7	446.8	+2.4%
Mobile Operations, Greece	329.4	354.2	-7.0%	936.9	1,005.7	-6.8%
Mobile Operations, Romania	107.0	116.0	-7.8%	326.8	335.6	-2.6%
Mobile Operations, Albania	21.3	24.9	-14.5%	61.1	63.9	-4.4%
Others	111.5	118.9	-6.2%	315.5	318.0	-0.8%
Eliminations (Mobile & Group)	(109.3)	(114.8)	-4.8%	(315.6)	(326.5)	-3.3%
<b>TOTAL</b>	<b>987.6</b>	<b>1,039.9</b>	<b>-5.0%</b>	<b>2,901.9</b>	<b>3,008.6</b>	<b>-3.5%</b>
Other income	16.7	14.1	+18.4%	43.0	28.4	+51.4%

**Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations – but HellasSat included in 9M'13)**

The OTE Group recorded a 5.0% drop in total consolidated revenues in the third quarter of 2014. Excluding the impact of recent changes in termination rates, mainly in Romania as of April 1, 2014, Group revenues would be down 3.0% in the quarter.

Revenues from Greek fixed-line operations, down 3.0%, further extended the multi-year string of quarter-on-quarter reduction in the rate of revenue decline. In Romanian fixed-line operations, revenues decreased by 0.9% in Q3'14, largely reflecting slower growth in wholesale and ICT revenues. Total revenues from mobile operations were down 7.5% in the quarter, reflecting MTR cuts in Romania and Albania, and challenging market conditions across all areas. In Greece, Cosmote revenues dropped by 7.0%, partly reflecting lower handset sales, while service revenues, down 5.3%, are showing improving trends quarter after quarter. Revenues at Telekom Romania Mobile (formerly Cosmote Romania), down 7.8%, would have been up nearly 9% excluding the impact of the steep MTR cuts implemented in April 2014. Revenues from AMC in Albania dropped by 14.5%, while excluding the recent termination rates cuts would be up 5%. Finally, Other revenues were down 6.2% to €111.5mn, chiefly reflecting lower interconnection rates and traffic at OTE Globe.

Total Operating Expenses, excluding depreciation, amortization, impairments and charges related to voluntary retirement programs and restructuring costs, amounted to €633.2mn in Q3'14, down 6.2% compared to Q3'13. Reflecting the recent VRS program, personnel expenses were down 31.0% in Greek fixed-line operations and 16.9% at Group level compared to Q3'13. Group expenses other than personnel costs stood at €461.7mn, down 1.5% in the quarter, despite the impact of the rebranding costs and the infrastructure taxes introduced this year in Romania.

Group Pro Forma EBITDA declined by 2.1% in the third quarter to €371.1mn, resulting in a 120bps increase in pro forma EBITDA margin in the period. This was largely due to the sharp increase in Greek fixed-line EBITDA, up 8.9% in the quarter, resulting in a 440bps margin increase over the Q3'13 level, to 40.1%. Excluding the impact of termination rates changes, Group Pro Forma EBITDA would have been up slightly.

Financial Expenses were up 1.0% in the quarter to €68.0mn, reflecting bond issuance and bond buyback premium of €30.0mn. The underlying sharp reduction in Interest Expense reflects lower indebtedness and cost of financing.

Group Adjusted Net Income stood at €94.2mn in Q3'14, up 24.3% compared to €75.8mn in Q3'13.

### Net Income to Adjusted Net Income Reconciliation:

€ mn	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
<b>Net Income</b>	<b>69.1</b>	<b>252.6</b>	<b>-72.6%</b>	<b>194.2</b>	<b>476.5</b>	<b>-59.2%</b>
Gains from disposals and deferred tax credits	0.0	(185.3)	-	0.0	(300.9)	-
VRS & other restructuring costs	3.0	8.5	-	7.5	14.3	-
Financial expenses for Bond issue & Bond Buyback premium	22.2	0.0	-	22.2	0.0	-
<b>Adjusted Net income</b>	<b>94.2</b>	<b>75.8</b>	<b>+24.3%</b>	<b>223.8</b>	<b>189.9</b>	<b>+17.9%</b>

*Note: After tax impact*

Capital Expenditures amounted to €149.8mn in Q3'14, reflecting an acceleration in the investments in fixed and mobile networks in Greece and fixed-line infrastructure in Romania. Capital expenditures in Greek fixed-line, Romanian fixed-line and mobile operations amounted to €51.5mn, €32.5mn and €61.0mn, respectively.

In Q3'14, the OTE Group posted adjusted Net Operating Cash Flow (ex-VRS and restructuring related payments) of €276.2mn, up 29.3% compared to €213.6mn in the same period last year, largely reflecting improved working capital.

Despite the €30mn outflow related to bond issuance and bond buyback premium, Adjusted Group Free Cash Flow (ex-VRS, spectrum and restructuring payments) rose by 20.3% in Q3'14 to €126.4mn.

The Group's Underlying Net Debt amounted to €1.4bn at September 30, 2014, down 14.3% compared to September 30, 2013. The Group's ratio of Underlying Net Debt to 12-month trailing Pro forma EBITDA stood at 1.0x. As of September 30, 2014, the Group held €4.2mn in short-dated highly liquid financial assets, included under Other Financial Assets.

OTE Group debt outstanding breaks down as follows:

(€ mn)	Sep 30, 2014	Dec 31, 2013	Change	Sep 30, 2013	Change
Short-Term:					
-Bank loans	0.0	11.0	-	1.4	-
Medium & Long-term:					
-Bonds	2,564.8	2,735.6	-6.2%	2,736.0	-6.3%
-Bank loans	176.9	209.8	-15.7%	650.4	-72.8%
<b>Total Indebtedness</b>	<b>2,741.7</b>	<b>2,956.4</b>	<b>-7.3%</b>	<b>3,387.8</b>	<b>-19.1%</b>
Cash and Cash equiv.	1,310.1	1,444.3	-9.3%	1,707.2	-23.3%
Net Debt	1,431.6	1,512.1	-5.3%	1,680.6	-14.8%
Other financial assets	4.2	16.5	-74.5%	15.8	-73.4%
<b>Underlying Net Debt</b>	<b>1,427.4</b>	<b>1,495.6</b>	<b>-4.6%</b>	<b>1,664.8</b>	<b>-14.3%</b>

## 1. FIXED LINE OPERATIONS, GREECE

### ACCESS LINES

	Sep 30, 2014	Sep 30, 2013	Change
PSTN connections	2,435,562	2,579,272	-5.6%
ISDN connections (BRA & PRA)	339,277	366,973	-7.5%
Other (MSAN)	13,104	6,685	+96.0%
<b>OTE access line connections (incl. WLR)</b>	<b>2,787,943</b>	<b>2,952,930</b>	<b>-5.6%</b>
<i>Of which Wholesale line rental (WLR) connections</i>	<i>39,178</i>	<i>51,817</i>	<i>-24.4%</i>
<b>OTE Retail access line connections (excl. WLR)</b>	<b>2,748,765</b>	<b>2,901,113</b>	<b>-5.3%</b>
Total OTE Broadband active subscribers	1,358,841	1,271,449	+6.9%
<b>OTE Broadband active retail subscribers</b>	<b>1,334,894</b>	<b>1,245,258</b>	<b>+7.2%</b>
OTE TV Subscribers (IPTV & Satellite)	320,578	218,066	+47.0%
Unbundled local loops (active)	1,984,977	1,860,749	+6.7%

In Q3'14, the total Greek market (OTE active retail lines, Wholesale line rental connections and full LLU subscribers) lost less than 17k lines, another quarter of limited line losses despite the challenging economic environment (Q2'14: -6k, Q1'14: -9k, Q4'13: -6k, Q3'13: -42k). OTE fixed-line operations in Greece posted a net loss of 31k retail access line connections compared to net line losses of 29k in Q2'14 and 52k in Q3'13. In the quarter, net additions by competitors stood at 14k compared to 23k in Q2'14.

In Q3'14, OTE achieved net additions of 25k retail broadband customers, or 49% of total market net additions, bringing the total number of OTE broadband subscribers to 1,335k. OTE's high-speed VDSL broadband service, offering speeds of up to 50 Mbps, had been adopted by more than 78k subscribers by the end of the quarter, extending the customer adoption this service has experienced since its introduction in late 2012, despite the environment. OTE is activating new local exchanges and installs new cabinets at a fast pace to retain customers or upsell to its base, experiencing significant pick up in the areas where the service is introduced, raising the size of its addressable VDSL market to approximately 1.3 million households and businesses. OTE's aim is to raise VDSL population coverage to 30% by 2014 year-end.

OTE also recorded continued strong growth in its TV offering. As of September 30, 2014, total TV subscribers amounted to 321k, an increase of 25k in the quarter. On October 15, 2014, OTE further enriched its content bouquet by acquiring three-year broadcasting rights for two of the most popular world sporting events, the European football UEFA Champions League and UEFA Europa League, starting next season.

## SUMMARY FINANCIAL DATA - FIXED LINE OPERATIONS, GREECE

(€ mn)	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
<b>Revenues</b>	<b>376.4</b>	<b>388.1</b>	<b>-3.0%</b>	<b>1,119.5</b>	<b>1,165.1</b>	<b>-3.9%</b>
- Retail Fixed Services	217.1	221.1	-1.8%	647.8	664.1	-2.5%
- Wholesale Fixed Services	82.1	86.4	-5.0%	246.8	258.0	-4.3%
- Other	77.2	80.6	-4.2%	224.9	243.0	-7.4%
Other income/(expense), net	1.5	6.8	-77.9%	2.2	9.0	-75.6%
EBITDA	150.8	138.5	+8.9%	432.5	408.6	+5.8%
as % of revenues	40.1%	35.7%	+4.4pp	38.6%	35.1%	+3.5pp
<b>Pro Forma EBITDA*</b>	<b>150.8</b>	<b>138.5</b>	<b>+8.9%</b>	<b>432.5</b>	<b>408.6</b>	<b>+5.8%</b>
<b>as % of revenues</b>	<b>40.1%</b>	<b>35.7%</b>	<b>+4.4pp</b>	<b>38.6%</b>	<b>35.1%</b>	<b>+3.5pp</b>
Operating Income (EBIT)	82.0	60.6	+35.3%	225.3	187.6	+20.1%
Voluntary Retirement (costs)/reversals	0.0	0.0	-	0.0	0.0	-
Depreciation & Amortization	(68.8)	(77.9)	-11.7%	(207.2)	(221.0)	-6.2%

\* Excluding impact of Voluntary Retirement Programs & Restructuring costs

Total Greek fixed-line Revenues declined by 3.0% in Q3'14, extending the ongoing improvement in revenue erosion begun in early 2013. Revenues from retail fixed services were down by just 1.8% in the quarter, far and away the smallest rate of revenue erosion in this key segment the company has achieved in many years.

Total Greek fixed-line Operating Expenses, excluding depreciation, amortization and charges related to voluntary retirement programs and restructuring, amounted to €227.1mn in Q3'14, an 11.4% drop compared to €256.4mn in Q3'13, far ahead of the drop in revenues. Total Personnel Expenses were cut by 31.0% compared to the comparable quarter last year, and amounted to 20.6% of total revenues, a sharp decline from 29.0% in Q3'13, mainly reflecting the Voluntary Exit Scheme implemented in late 2013. As a result, the pro forma EBITDA margin pursued its improving trend, reaching 40.1%, a 4.4 percentage point improvement compared to Q3'13.

## 2. FIXED LINE OPERATIONS, ROMANIA

### SUMMARY FINANCIAL & ACCESS LINE DATA

	Sep 30, 2014	Sep 30, 2013	Change
Voice Telephony Lines (Incl. CDMA)	2,166,417	2,270,045	-4.6%
Broadband subscribers (Incl. CDMA BB)	1,237,638	1,237,947	-0.0%
TV subscribers (DTH, IPTV& Cable)	1,396,973	1,320,038	+5.8%

(€ mn)	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
Revenues	151.3	152.6	-0.9%	457.7	446.8	+2.4%
- Retail Fixed Services	90.2	94.9	-5.0%	273.1	289.8	-5.8%
- Wholesale Fixed Services	29.2	26.3	+11.0%	86.2	73.3	+17.6%
- Other	31.9	31.4	+1.6%	98.4	83.7	+17.6%
Other income	12.9	4.5	+186.7%	37.4	12.5	+199.2%
EBITDA	32.7	30.1	+8.6%	114.6	101.7	+12.7%
as % of revenues	21.6%	19.7%	+1.9pp	25.0%	22.8%	+2.2pp
<b>Pro Forma EBITDA*</b>	<b>35.0</b>	<b>35.7</b>	<b>-2.0%</b>	<b>118.4</b>	<b>110.1</b>	<b>+7.5%</b>
<b>as % of revenues</b>	<b>23.1%</b>	<b>23.4%</b>	<b>-0.3pp</b>	<b>25.9%</b>	<b>24.6%</b>	<b>+1.3pp</b>
Operating Income/(loss) (EBIT)	0.7	(1.6)	-	7.2	18.5	-61.1%
Voluntary Retirement costs	(2.3)	(5.6)	-58.9%	(3.8)	(8.4)	-54.8%
Depreciation & Amortization	(32.0)	(31.7)	+0.9%	(107.4)	(83.2)	+29.1%

\* Excluding impact of Restructuring Plans

Romanian fixed-line activities, now operating under the Telekom Romania Communications brand ("Telekom Romania"), posted a slight drop in revenues. The drop in revenues from retail fixed services was in line with earlier trends, as higher TV and broadband revenues continued to partly offset the decline in voice. Significant revenues from large-scale information and communication technology projects and higher wholesale traffic also contributed to narrowing the revenue drop. Other operating income was significantly higher, reflecting sales of unused operating assets.

Television and broadband revenues were up 7% and 6% respectively, while voice revenues were down 14% in the quarter. Compared to the end of Q3'13, the total number of Telekom Romania TV subscribers rose by 5.8%. These developments represent significant advances in Telekom Romania's ability to defend its customer base despite intense competition, by launching attractive commercial bundles. The urban footprint of TV offering continued to expand, allowing a growing number of households in major Romanian cities to gain access to Telekom Romania TV offering.

In Q3'14, wholesale revenues grew by 11% compared to Q3'13, with international transit revenues increasing by 127%.

Total Romanian fixed-line Operating Expenses, excluding depreciation, amortization and charges related to voluntary retirement programs and restructuring rose 6% in Q3'14 compared to Q3'13. Higher costs related to ICT projects, increased interconnection traffic and the infrastructure tax imposed by the Romanian government since the beginning of the year, as well as higher

marketing costs related to the company's rebranding, were balanced by lower Personnel Expenses, down 16% compared to last year's quarter, reflecting headcount reductions.

Telekom Romania, the new brand under which Telekom Romania Communications (formerly RomTelecom) and Telekom Romania Mobile Communications (formerly Cosmote Romania) are operating since mid-September, is combining the capabilities of both companies in an effort to become the premier operator for telecom and entertainment services in Romania. A concerted commercial presence with integrated fixed and mobile shops, unified call center, a single website and social media presence, and One Stop Shop philosophy are supporting the Telekom brand experience.



### 3. MOBILE OPERATIONS

#### SUMMARY FINANCIAL DATA

<b>Revenues (€ mn)</b>	<b>Q3 '14</b>	<b>Q3 '13</b>	<b>Change</b>	<b>9M '14</b>	<b>9M '13</b>	<b>Change</b>
Greece	329.4	354.2	-7.0%	936.9	1,005.7	-6.8%
Romania	107.0	116.0	-7.8%	326.8	335.6	-2.6%
Albania	21.3	24.9	-14.5%	61.1	63.9	-4.4%
Intragroup eliminations	(4.8)	(5.7)	-15.8%	(13.0)	(17.2)	-24.4%
<b>Total Revenues (Continued Operations)</b>	<b>452.9</b>	<b>489.4</b>	<b>-7.5%</b>	<b>1,311.8</b>	<b>1,388.0</b>	<b>-5.5%</b>
<b>Pro Forma EBITDA *</b>						
Greece	133.7	140.6	-4.9%	355.4	393.9	-9.8%
Romania	25.5	33.0	-22.7%	78.1	87.4	-10.6%
Albania	7.6	10.8	-29.6%	21.4	24.5	-12.7%
Intragroup eliminations	0.1	(0.5)	-120.0%	0.1	(5.2)	-101.9%
<b>Total Pro forma EBITDA* (Continued Operations)</b>	<b>166.9</b>	<b>183.9</b>	<b>-9.2%</b>	<b>455.0</b>	<b>500.6</b>	<b>-9.1%</b>
Voluntary retirement and restructuring costs	(1.4)	(3.2)	-56.2%	(5.8)	(7.4)	-21.6%
<b>EBITDA (Continued Operations)</b>	<b>165.5</b>	<b>180.7</b>	<b>-8.4%</b>	<b>449.2</b>	<b>493.2</b>	<b>-8.9%</b>
<b>Pro Forma EBITDA Margin %*</b>						
Greece	40.6%	39.7%	+0.9pp	37.9%	39.2%	-1.3pp
Romania	23.8%	28.4%	-4.6pp	23.9%	26.0%	-2.1pp
Albania	35.7%	43.4%	-7.7pp	35.0%	38.3%	-3.3pp
<b>Total Pro Forma EBITDA margin*</b>	<b>36.9%</b>	<b>37.6%</b>	<b>-0.7pp</b>	<b>34.7%</b>	<b>36.1%</b>	<b>-1.4pp</b>
<b>EBITDA Margin</b>	<b>36.5%</b>	<b>36.9%</b>	<b>-0.4pp</b>	<b>34.2%</b>	<b>35.5%</b>	<b>-1.3pp</b>

\* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans

**Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations)**

#### MOBILE OPERATIONS, GREECE

As of the end of Q3'14, Cosmote provided mobile telephony services to 7.3mn customers in Greece, down 2.8% from September 30, 2013.

The 5.3% service revenue drop recorded by Cosmote Greece in Q3'14 represents the smallest revenue decline of recent quarters. The relative improvement in service revenue reflects both healthier underlying performances and the tailing off of unfavorable comparisons due to MTR cuts (1.189 Eurocent/minute since January 1, 2014, as compared to 1.269 Eurocent/minute through 2013).

In line with its strategy to fully protect and grow its customer base focusing on customer experience and high quality of services, Cosmote has been investing to maintain network performance leadership in terms of coverage and data speeds. In Q3'14, Cosmote further expanded its 4G footprint, now covering 65% of the Greek population, representing more than double the coverage of its nearest competitor.



Consistently higher demand for mobile handset data usage continued in the quarter, posting an increase of 86% in Q3'14 compared to Q3'13, enabled by growing smartphone uptake as well as high speeds offered by Cosmote's network. According to independent surveys, Cosmote's mobile Internet ranks among Europe's top-20 in a field of over 140 providers.

In Q3'14, blended AMOU increased by 4.7% to 322 minutes, while blended ARPU for the same period was €12.9, down 3.8% from Q3'13, mainly reflecting lower consumer spending and competitive pressures.

### **MOBILE OPERATIONS, ROMANIA**

As of mid-September, Cosmote Romania rebranded jointly with RomTelecom under the common Telekom Romania brand, facilitating converged products and capitalizing on the customer attractiveness of international brands.

Competition intensified in the Romanian mobile sector during the quarter with the entry of an MVNO, which is also a fixed telephony competitor.

As of the end of Q3'14, Telekom Romania's Mobile total customer base stood at 5.9mn, of which 26.8% was postpaid.

Service revenues and Pro Forma EBITDA declined by 17.0% and 23.0% respectively, against Q3'13, mainly reflecting termination rate cuts implemented in April 2014.

Blended ARPU decreased by 5.9% in 9M'14 compared to 9M'13, due to lower incoming ARPU, adversely affected by interconnection rate cuts.

### **MOBILE OPERATIONS, ALBANIA**

As of the end of Q3'14, AMC's customer base totaled 2.0mn subscribers, up 1%, compared to September 2013, maintaining its momentum in the Albanian telecommunications market.

AMC posted a 14% increase in mobile handset data revenues in Q3'14 compared to the same period last year, fueled by the efficiency of its network covering 96% of the population.

Intensifying competition and lower termination rates negatively impacted the Albanian market in Q3'14. In this context, AMC's total revenues declined by 14.5% and service revenues down by 15.6%, compared to Q3'13. Excluding the impact of recent changes in termination rates, AMC revenues would be up 5%.

#### **4. EVENTS OF THE QUARTER**

##### **OTE SUBMITTED NON-BINDING OFFER FOR THE ACQUISITION OF NOVA**

On July 1, 2014, OTE announced, following the approval of its Board of Directors, the submission of a non-binding offer to Forthnet for the acquisition of the Nova pay TV operations. OTE's non-binding offer is within the range of €250-300mn on a debt free/cash free basis. In the event that an agreement is reached, it will be subject to clearance from the competent authorities.

##### **OTE PLC RAISED €700MN BOND**

On July 10, 2014, OTE PLC issued €700mn Fixed Rate Notes under its Global Medium-Term Note Program, maturing on July 9, 2020, with an annual coupon of 3.5%. The Notes are guaranteed by OTE.

##### **OTE PLC CONCLUDED TENDER OFFER FOR 2015 AND 2016 NOTES**

On July 11, 2014, OTE PLC concluded a tender for cash of its February 2015 Notes and its May 2016 Notes. OTE PLC accepted tenders amounting to €305mn and €195mn of the February 2015 and the May 2016 Notes respectively. The tender was financed via the proceeds of the €700mn new bond issue of OTE PLC. The tendered notes were surrendered for cancellation. Following the completion of the tender, the outstanding nominal amounts of the February 2015 and May 2016 Notes were €482.7mn and €700mn respectively.

#### **5. SUBSEQUENT EVENTS**

##### **COSMOTE SECURED SPECTRUM RIGHTS AT 800MHZ AND 2.6GHZ BANDS IN GREECE**

On October 13, 2014, Cosmote secured the rights to use radio frequencies in the 800MHz and 2.6GHz spectrum bands in Greece for the period November 1, 2014 through February 28, 2030. With this new investment, Cosmote will enhance the speed and coverage of its extensive 4G network, both in urban and rural areas. The total amount invested by the company reached €134.8mn.

##### **OTE ACQUIRED THE BROADCASTING RIGHTS FOR UEFA CHAMPIONS LEAGUE & UEFA EUROPA LEAGUE**

On October 14, 2014, OTE acquired the broadcasting rights for all games of the European football club competitions UEFA Champions League and UEFA Europa League from July 2015 to 2018. Regarding the Champions League, OTE TV will broadcast exclusively 133 out of the 146 games and the remaining 13 in parallel broadcast with a free-to-air network, while regarding Europa League, OTE TV acquired the exclusive rights for all 204 matches to be played in the tournament up to the final, which will be offered concurrently by OTE TV and a free-to-air TV channel.

## 6. Outlook

In the fourth quarter of 2014, OTE expects a further deceleration of top-line contraction, helped by further signs of recovery in the Greek economic environment, a more favorable base of comparison following the successive rounds of MTR cuts implemented in Greece through early 2013, the growing penetration of OTE new services, notably TV, and finally, resilient service revenues in mobile. MTR cuts in Romania will continue to impact mobile revenues and EBITDA in that country. OTE will pursue its cost-containment efforts, and its profitability should benefit from the continuing lowering of its cost base as a result of the 2013 and earlier voluntary exit schemes. Cash Flow from operations should further increase in Q4'13, due to improved working capital. With limited Capex expected in the quarter, OTE reiterates its adjusted Free Cash Flow guidance of around €500 million for full year 2014.

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## About OTE

OTE Group is Greece's leading telecommunications organization and one of the pre-eminent players in Southeastern Europe, providing top-quality products and services to its customers.

Consisting of the parent company OTE S.A. and its subsidiaries, the Group offers fixed-line (voice, broadband, data and leased lines), TV and mobile telephony services in Greece and Romania, as well as mobile telephony services in Albania. The Group is also involved in a range of activities in Greece, notably in real-estate and professional training.

OTE is listed on the Athens Stock Exchange and the London Stock Exchange. Following OTE's delisting from the NYSE, OTE's ADSs (American Depositary Shares) trade in the OTC (Over the Counter) market under the ticker HLTOY through the Level I ADSs program.

Additional Information is also available on <http://www.ote.gr>.

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**Exhibits to follow:**

- I. Consolidated Balance Sheets as of September 30, 2014 and December 31, 2013
- II. Consolidated Income Statements for the quarter and nine months ended September 30, 2014 and comparative 2013
- III. Consolidated Statement of Cash Flows for the quarter ended September 30, 2014, and comparative Q2'14, Q1'14, Q4'13, Q3'13
- IV. Group Revenues for the quarter and nine months ended September 30, 2014 and comparative 2013
- V. Segment Reporting based on the Group's legal structure
- VI. Mobile Operations
- VII. Operational Highlights

## EXHIBIT I – CONSOLIDATED BALANCE SHEET

(€ mn)	Sep 30, 2014	Dec 31, 2013
<b>ASSETS</b>		
Property, plant and equipment	3,115.9	3,278.9
Goodwill	507.2	506.0
Telecommunication licenses	455.6	474.8
Other Intangible assets	441.1	506.6
Investments	0.2	0.1
Loans and advances to pension funds	105.9	110.9
Deferred tax assets	368.6	393.9
Other non-current assets	83.2	78.0
<b>Total non - current assets:</b>	<b>5,077.7</b>	<b>5,349.2</b>
Inventories	107.3	97.0
Trade receivables	693.7	703.3
Other financial assets	4.2	16.5
Other current assets	212.9	228.5
Restricted Cash	4.4	4.5
Cash and cash equivalents	1,310.1	1,444.3
<b>Total current assets</b>	<b>2,332.6</b>	<b>2,494.1</b>
<b>TOTAL ASSETS</b>	<b>7,410.3</b>	<b>7,843.3</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	1,387.1	1,387.1
Share premium	479.0	511.9
Treasury shares	(10.7)	(11.2)
Statutory reserve	347.2	347.2
Foreign exchange and other reserves	(164.3)	(157.9)
Changes in non-controlling interests	(3,315.2)	(3,315.2)
Retained earnings	3,352.6	3,158.4
<b>Total equity attributable to equity holders of the parent:</b>	<b>2,075.7</b>	<b>1,920.3</b>
Non-controlling interests	383.1	375.4
<b>Total equity</b>	<b>2,458.8</b>	<b>2,295.7</b>
Long-term borrowings	2,231.9	2,556.5
Provision for staff retirement indemnities	227.3	199.3
Provision for Youth account	197.8	182.3
Deferred tax liabilities	62.2	68.1
Other non – current liabilities	115.8	133.8
<b>Total non – current liabilities</b>	<b>2,835.0</b>	<b>3,140.0</b>
Trade accounts payable	749.5	923.7
Short-term borrowings	0.0	11.0
Short-term portion of long-term borrowings	509.8	388.9
Income tax payable	33.4	82.8
Deferred revenue	144.3	147.4
Provision for voluntary leave scheme	142.9	237.9
Dividends payable	0.5	1.0
Other current liabilities	536.1	614.9
<b>Total current liabilities</b>	<b>2,116.5</b>	<b>2,407.6</b>
<b>Total liabilities</b>	<b>4,951.5</b>	<b>5,547.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,410.3</b>	<b>7,843.3</b>

## EXHIBIT II – CONSOLIDATED INCOME STATEMENT

(€ mn)	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
<b>Total Revenues</b>	<b>987.6</b>	<b>1,039.9</b>	<b>-5.0%</b>	<b>2,901.9</b>	<b>3,008.6</b>	<b>-3.5%</b>
Other operating income	16.7	14.1	+18.4%	43.0	28.4	+51.4%
Interconnection & Roaming Costs	(116.7)	(128.2)	-9.0%	(337.2)	(329.2)	+2.4%
Provision for doubtful accounts	(21.1)	(20.9)	+1.0%	(63.2)	(64.1)	-1.4%
Personnel Costs	(171.5)	(206.4)	-16.9%	(526.1)	(624.2)	-15.7%
Cost of Early Retirement Programs	(2.7)	(10.2)	-73.5%	(5.4)	(17.7)	-69.5%
Commission Costs	(35.0)	(39.9)	-12.3%	(108.5)	(126.2)	-14.0%
Device Costs	(67.2)	(69.8)	-3.7%	(197.6)	(185.2)	+6.7%
Maintenance & Repairs	(26.2)	(22.5)	+16.4%	(73.9)	(67.6)	+9.3%
Marketing	(27.9)	(26.5)	+5.3%	(81.9)	(81.2)	+0.9%
Other OpEx	(168.6)	(160.8)	+4.9%	(510.0)	(484.4)	+5.3%
Depreciation & Amortization	(197.2)	(200.5)	-1.6%	(592.7)	(588.4)	+0.7%
<b>Total Operating Expenses</b>	<b>(834.1)</b>	<b>(885.7)</b>	<b>-5.8%</b>	<b>(2,496.5)</b>	<b>(2,568.2)</b>	<b>-2.8%</b>
<b>Total OpEx (ex- D&amp;A, Impairments, VES &amp; Restructuring Costs)</b>	<b>(633.2)</b>	<b>(675.0)</b>	<b>-6.2%</b>	<b>(1,894.2)</b>	<b>(1,962.1)</b>	<b>-3.5%</b>
<b>EBITDA</b>	<b>367.4</b>	<b>368.8</b>	<b>-0.4%</b>	<b>1,041.1</b>	<b>1,057.2</b>	<b>-1.5%</b>
<b>Pro forma EBITDA*</b>	<b>371.1</b>	<b>379.0</b>	<b>-2.1%</b>	<b>1,050.7</b>	<b>1,074.9</b>	<b>-2.3%</b>
<b>Operating Profit/(Loss) before financial activities (EBIT)</b>	<b>170.2</b>	<b>168.3</b>	<b>+1.1%</b>	<b>448.4</b>	<b>468.8</b>	<b>-4.4%</b>
Interest Expense	(68.0)	(67.3)	+1.0%	(161.9)	(204.8)	-20.9%
Interest Income	1.8	2.2	-18.2%	5.0	7.1	-29.6%
FX differences, net	0.8	(2.2)	-	0.7	3.5	-
Dividend income	-	0.1	-	-	0.4	-
Gains/(Losses) from investments and financial assets - Impairment	-	154.3	-	0.1	215.2	-
<b>Total Profit/(Loss) from financial activities</b>	<b>(65.4)</b>	<b>87.1</b>	<b>-</b>	<b>(156.1)</b>	<b>21.4</b>	<b>-</b>
<b>Profit before income taxes (EBT)</b>	<b>104.8</b>	<b>255.4</b>	<b>-59.0%</b>	<b>292.3</b>	<b>490.2</b>	<b>-40.4%</b>
Income tax	(34.4)	(3.2)	-	(95.3)	(5.1)	-
<b>Profit for the period from continuing operations</b>	<b>70.4</b>	<b>252.2</b>	<b>-72.1%</b>	<b>197.0</b>	<b>485.1</b>	<b>-59.4%</b>
<b>Profit for the period from discontinued operations attributed to the owners of the parent</b>	<b>-</b>	<b>6.2</b>	<b>-</b>	<b>-</b>	<b>28.9</b>	<b>-</b>
<b>Owners of the parent</b>	<b>69.1</b>	<b>258.8</b>	<b>-73.3%</b>	<b>194.2</b>	<b>505.4</b>	<b>-61.6%</b>
Non-controlling interests	1.3	(0.4)	-	2.8	8.6	-67.4%
<b>Total Profit/(Loss) for the Period</b>	<b>70.4</b>	<b>258.4</b>	<b>-72.8%</b>	<b>197.0</b>	<b>514.0</b>	<b>-61.7%</b>
<b>Profit/(Loss) from Continued Operations attributed to the owners of the parent</b>	<b>69.1</b>	<b>252.6</b>	<b>-72.6%</b>	<b>194.2</b>	<b>476.5</b>	<b>-59.2%</b>

Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations – but HellasSat included in 9M'13)

\* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans

## EXHIBIT III – CONSOLIDATED STATEMENT OF CASH FLOWS

Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations)

(€ mn)	Q3 '13	Q4 '13	Q1 '14	Q2 '14	Q3 '14
Profit/(Loss) before tax from continuing operations	255.4	(175.4)	88.5	99.0	104.8
<b>Adjustments for:</b>					
Depreciation, amortization and impairment	200.5	254.1	195.0	200.5	197.2
Share-based payment	0.4	2.0	0.0	0.0	0.0
Costs related to early retirement programs	10.2	254.7	0.9	1.8	2.7
Provision for staff retirement indemnities	2.8	1.4	2.3	2.4	2.3
Provision for youth account	0.7	1.5	0.7	0.7	0.6
Write down of inventories	1.0	3.9	1.8	1.1	0.2
Provision for doubtful accounts	20.9	20.8	20.7	21.4	21.1
Other provisions	(0.2)	6.7	0.8	2.0	0.3
Foreign exchange differences, net	2.2	1.2	1.4	(1.3)	(0.8)
Interest income	(2.2)	(1.7)	(1.5)	(1.7)	(1.8)
Dividend income	(0.1)	0.0	0.0	0.0	0.0
(Gains) / Losses from investments and financial assets - Impairments	(154.3)	(1.7)	(0.1)	0.0	0.0
Interest expense	67.3	44.2	47.9	46.0	68.0
<b>Working capital adjustments</b>	<b>(47.2)</b>	<b>214.2</b>	<b>(88.6)</b>	<b>(34.0)</b>	<b>(17.1)</b>
Decrease/(increase) in inventories	2.3	5.6	(5.7)	(10.6)	3.8
Decrease/(increase) in accounts receivable	8.3	65.0	(16.2)	(12.8)	(4.2)
(Decrease)/increase in liabilities (except borrowings)	(57.8)	143.6	(66.7)	(10.6)	(16.7)
<b>Plus/(Minus):</b>					
Payment for Early Retirement Programs & voluntary leave scheme	(12.6)	(138.9)	(26.6)	(80.5)	(4.3)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(7.2)	(85.9)	(1.8)	(5.0)	(0.9)
Interest and related expenses paid	(67.9)	(7.1)	(85.1)	(70.4)	(68.7)
Income taxes paid	(68.7)	(35.8)	(76.8)	(12.8)	(32.7)
Net cash flows from operating activities of discontinued operations	6.8	0.0	0.0	0.0	0.0
<b>Net Cash Flows from Operating Activities</b>	<b>207.8</b>	<b>358.2</b>	<b>79.5</b>	<b>169.2</b>	<b>270.9</b>
Acquisition of non-controlling interest	0.0	(10.2)	0.0	0.0	0.0
Sale or maturity of financial assets	78.2	0.0	0.0	12.4	0.0
Repayments of loans receivable	2.6	2.9	2.8	3.2	3.0
Purchase of property, plant and equipment and intangible assets	(108.5)	(153.1)	(123.4)	(157.5)	(149.8)
Decrease/(increase) in restricted cash	36.9	0.4	0.8	0.0	(0.7)
Proceeds from disposal of subsidiaries / investments, net of cash disposed	570.7	(12.7)	0.0	(2.2)	0.0
Interest received	1.0	8.1	1.0	1.3	1.0
Dividends received	0.1	0.0	0.0	0.0	0.0
Net cash flows from investing activities of discontinued operations	(4.8)	0.0	0.0	0.0	0.0
<b>Net Cash flows from/(used in) Investing Activities</b>	<b>576.2</b>	<b>(164.6)</b>	<b>(118.8)</b>	<b>(142.8)</b>	<b>(146.5)</b>
Acquisition of treasury shares	0.0	(6.0)	(58.6)	25.7	(5.6)
Proceeds from loans granted and issued	357.5	0.0	(0.0)	(0.0)	700.0
Repayment of loans	(713.2)	(444.7)	(0.9)	(407.8)	(500.0)
Dividends paid to Company's owners	0.0	0.0	(0.4)	(0.1)	0.0
<b>Net Cash flows from/(used in) Financing Activities</b>	<b>(355.7)</b>	<b>(450.7)</b>	<b>(59.9)</b>	<b>(382.2)</b>	<b>194.4</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>	<b>428.3</b>	<b>(257.1)</b>	<b>(99.2)</b>	<b>(355.8)</b>	<b>318.8</b>
Cash and Cash equivalents at beginning of period	1,278.3	1,707.2	1,444.3	1,344.3	996.0
Net foreign exchange differences	0.6	(5.8)	(0.8)	7.5	(4.7)
<b>Cash and Cash Equivalents at the end of the period</b>	<b>1,707.2</b>	<b>1,444.3</b>	<b>1,344.3</b>	<b>996.0</b>	<b>1,310.1</b>
<b>OTE Group's total liquidity (Cash &amp; Other Financial assets)</b>	<b>1,723.0</b>	<b>1,460.8</b>	<b>1,361.3</b>	<b>1,000.4</b>	<b>1,314.3</b>



## EXHIBIT IV – GROUP REVENUES

(€ mn)	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
- Retail Fixed Services	307.7	316.7	-2.8%	922.5	955.8	-3.5%
- Wholesale Fixed Services	151.7	159.9	-5.1%	439.4	433.8	+1.3%
- Other (Fixed Services)	79.8	73.1	+9.2%	235.4	215.9	+9.0%
<b>Total Revenues from Fixed Business</b>	<b>539.2</b>	<b>549.7</b>	<b>-1.9%</b>	<b>1,597.3</b>	<b>1,605.5</b>	<b>-0.5%</b>
Service Revenues	364.3	394.6	-7.7%	1,055.3	1,129.2	-6.5%
Handset Revenues	59.0	59.5	-0.8%	168.4	168.8	-0.2%
Other (Mobile)	4.5	6.4	-29.7%	12.5	15.9	-21.4%
<b>Total Revenues from Mobile</b>	<b>427.8</b>	<b>460.5</b>	<b>-7.1%</b>	<b>1,236.2</b>	<b>1,313.9</b>	<b>-5.9%</b>
<b>Other Revenues</b>	<b>20.6</b>	<b>29.7</b>	<b>-30.6%</b>	<b>68.4</b>	<b>89.2</b>	<b>-23.3%</b>
<b>Total Revenues</b>	<b>987.6</b>	<b>1,039.9</b>	<b>-5.0%</b>	<b>2,901.9</b>	<b>3,008.6</b>	<b>-3.5%</b>

**Note:** All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations – but HellasSat included in 9M'13)



## EXHIBIT V – SEGMENT REPORTING (Q3 2014)

	OTE SA	Cosmote Group	Romania Fixed	All Other	Adjust. & Elimin.	Group Consolidated
<b>Fixed Business:</b>						
Retail Services Revenues	217.1	0.0	90.2	0.8	(0.4)	307.7
Wholesale Services Revenues	82.1	0.0	29.2	71.4	(31.0)	151.7
Other Revenues (Fixed Business)	52.7	4.1	24.7	3.6	(5.3)	79.8
<b>Total Revenues from Fixed Business</b>	<b>351.9</b>	<b>4.1</b>	<b>144.1</b>	<b>75.8</b>	<b>(36.7)</b>	<b>539.2</b>
<b>Mobile Business:</b>						
Service Revenues	0.0	370.8	1.0	0.0	(7.5)	364.3
Handset Revenues	4.4	64.8	0.6	0.0	(10.8)	59.0
Other Mobile Revenues	0.0	13.6	0.3	0.0	(9.4)	4.5
<b>Total Revenues from Mobile Business</b>	<b>4.4</b>	<b>449.2</b>	<b>1.9</b>	<b>0.0</b>	<b>(27.7)</b>	<b>427.8</b>
<b>Other Revenues</b>	<b>20.1</b>	<b>(0.4)</b>	<b>5.3</b>	<b>35.7</b>	<b>(40.1)</b>	<b>20.6</b>
<b>Total Revenues</b>	<b>376.4</b>	<b>452.9</b>	<b>151.3</b>	<b>111.5</b>	<b>(104.5)</b>	<b>987.6</b>
Other Operating Income/(expense)	1.5	2.1	12.9	1.1	(0.9)	16.7
Interconnection & Roaming Costs	(31.0)	(32.5)	(26.5)	(60.3)	33.6	(116.7)
Provision for doubtful accounts	(5.0)	(13.2)	(2.9)	0.0	0.0	(21.1)
Personnel Costs	(77.6)	(36.3)	(24.6)	(21.2)	(11.8)	(171.5)
Cost of Early Retirement Programs	0.0	(0.4)	(2.3)	0.0	0.0	(2.7)
Commission Costs	(2.5)	(38.9)	(3.6)	(0.1)	10.1	(35.0)
Device Costs	(10.5)	(59.9)	(6.9)	(0.4)	10.5	(67.2)
Maintenance & Repairs	(13.0)	(10.1)	(8.2)	(0.2)	5.3	(26.2)
Marketing	(4.3)	(19.1)	(4.5)	0.0	(0.0)	(27.9)
Other OpEx	(83.2)	(79.1)	(52.0)	(12.0)	57.7	(168.6)
<b>Total OpEx (ex-Depreciation)</b>	<b>(227.1)</b>	<b>(289.5)</b>	<b>(131.5)</b>	<b>(94.2)</b>	<b>105.4</b>	<b>(636.9)</b>
<b>EBITDA (Reported)</b>	<b>150.8</b>	<b>165.5</b>	<b>32.7</b>	<b>18.4</b>	<b>0.0</b>	<b>367.4</b>
<b>EBITDA margin (Reported)</b>	<b>40.1%</b>	<b>36.5%</b>	<b>21.6%</b>	<b>16.5%</b>		<b>37.2%</b>
<b>Total Opex (ex Depreciation, VES &amp; Restructuring costs)</b>	<b>(227.1)</b>	<b>(288.1)</b>	<b>(129.2)</b>	<b>(94.2)</b>	<b>105.4</b>	<b>(633.2)</b>
<b>EBITDA (Pro Forma)*</b>	<b>150.8</b>	<b>166.9</b>	<b>35.0</b>	<b>18.4</b>	<b>0.0</b>	<b>371.1</b>
<b>Pro Forma EBITDA margin</b>	<b>40.1%</b>	<b>36.9%</b>	<b>23.1%</b>	<b>16.5%</b>		<b>37.6%</b>
Depreciation & Amortization	(68.8)	(89.6)	(32.0)	(6.7)	(0.1)	(197.2)
<b>EBIT</b>	<b>82.0</b>	<b>75.9</b>	<b>0.7</b>	<b>11.7</b>	<b>(0.1)</b>	<b>170.2</b>

\*Excluding impact of Voluntary Retirement Programs and Restructuring Plans



## EXHIBIT V – SEGMENT REPORTING (Q3 2013)

	OTE SA	Cosmote Group	Romania Fixed	All Other	Adjust. & Elimin.	Group Consolidated
<b>Fixed Business:</b>						
Retail Services Revenues	221.1	0.0	94.9	0.9	(0.2)	316.7
Wholesale Services Revenue	86.4	0.0	26.3	80.6	(33.4)	159.9
Other Revenues (Fixed Business)	53.1	0.0	21.2	3.6	(4.8)	73.1
<b>Total Revenues from Fixed Business</b>	<b>360.6</b>	<b>0.0</b>	<b>142.4</b>	<b>85.1</b>	<b>(38.4)</b>	<b>549.7</b>
<b>Mobile Business:</b>						
Service Revenues	0.0	404.5	1.3	0.0	(11.2)	394.6
Handset Revenues	4.4	67.4	0.4	0.0	(12.7)	59.5
Other Mobile Revenues	0.0	13.2	0.2	0.0	(7.0)	6.4
<b>Total Revenues from Mobile Business</b>	<b>4.4</b>	<b>485.1</b>	<b>1.9</b>	<b>0.0</b>	<b>(30.9)</b>	<b>460.5</b>
<b>Other Revenues</b>	23.1	4.3	8.3	33.8	(39.8)	29.7
<b>Total Revenues</b>	<b>388.1</b>	<b>489.4</b>	<b>152.6</b>	<b>118.9</b>	<b>(109.1)</b>	<b>1,039.9</b>
Other income/(expense) net	6.8	3.4	4.5	0.5	(1.1)	14.1
Interconnection & Roaming Costs	(36.6)	(38.9)	(22.7)	(68.6)	38.6	(128.2)
Provision for doubtful accounts	(5.5)	(13.5)	(2.6)	0.6	0.1	(20.9)
Personnel Costs	(112.4)	(40.8)	(29.1)	(18.8)	(5.3)	(206.4)
Cost of Early Retirement Programs	0.0	(3.2)	(5.6)	(1.4)	0.0	(10.2)
Commission Costs	(2.0)	(45.3)	(3.4)	(0.2)	11.0	(39.9)
Device Costs	(7.7)	(66.0)	(8.1)	(0.7)	12.7	(69.8)
Maintenance & Repairs	(11.4)	(8.7)	(6.3)	(0.1)	4.0	(22.5)
Marketing	(5.3)	(19.3)	(1.9)	(0.1)	0.1	(26.5)
Other OpEx	(75.5)	(76.4)	(47.3)	(11.7)	50.1	(160.8)
<b>Total OpEx (ex-Depreciation)</b>	<b>(256.4)</b>	<b>(312.1)</b>	<b>(127.0)</b>	<b>(101.0)</b>	<b>111.3</b>	<b>(685.2)</b>
<b>EBITDA (Reported)</b>	<b>138.5</b>	<b>180.7</b>	<b>30.1</b>	<b>18.4</b>	<b>1.1</b>	<b>368.8</b>
<b>EBITDA margin (Reported)</b>	<b>35.7%</b>	<b>36.9%</b>	<b>19.7%</b>	<b>15.5%</b>	<b>-1.0%</b>	<b>35.5%</b>
<b>Total Opex (ex Depreciation, VES &amp; Restructuring costs)</b>	<b>(256.4)</b>	<b>(308.9)</b>	<b>(121.4)</b>	<b>(99.6)</b>	<b>111.3</b>	<b>(675.0)</b>
<b>EBITDA (Pro Forma)*</b>	<b>138.5</b>	<b>183.9</b>	<b>35.7</b>	<b>19.8</b>	<b>1.1</b>	<b>379.0</b>
<b>Pro Forma EBITDA margin</b>	<b>35.7%</b>	<b>37.6%</b>	<b>23.4%</b>	<b>16.7%</b>	<b>-1.0%</b>	<b>36.4%</b>
Depreciation & Amortization	(77.9)	(84.6)	(31.7)	(5.3)	(1.0)	(200.5)
<b>EBIT</b>	<b>60.6</b>	<b>96.1</b>	<b>(1.6)</b>	<b>13.1</b>	<b>0.1</b>	<b>168.3</b>

\* Excluding impact of Voluntary Retirement Programs and Restructuring Plans

**Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations)**

## EXHIBIT VI– MOBILE OPERATIONS

(€ mn)	Q3 '14	Q3 '13	Change	9M '14	9M '13	Change
<b>Revenues:</b>						
- Service Revenues	370.8	404.5	-8.3%	1,077.8	1,157.7	-6.9%
- Handset Revenues	64.8	67.4	-3.9%	183.2	182.8	+0.2%
- Other	17.3	17.5	-1.1%	50.8	47.5	+6.9%
<b>Total Revenues</b>	<b>452.9</b>	<b>489.4</b>	<b>-7.5%</b>	<b>1,311.8</b>	<b>1,388.0</b>	<b>-5.5%</b>
Other income/(expense) net	2.1	3.4	-38.2%	3.3	6.5	-49.2%
<b>Operating Expenses:</b>						
Interconnection & Roaming Costs	(32.5)	(38.9)	-16.5%	(104.1)	(109.7)	-5.1%
Provision for doubtful accounts	(13.2)	(13.5)	-2.2%	(39.3)	(40.6)	-3.2%
Personnel Costs	(36.3)	(40.8)	-11.0%	(115.9)	(126.7)	-8.5%
Cost of Early Retirement Programs	(0.4)	(3.2)	-87.5%	(1.6)	(7.4)	-78.4%
Commission Costs	(38.9)	(45.3)	-14.1%	(121.1)	(140.1)	-13.6%
Device Costs	(59.9)	(66.0)	-9.2%	(170.3)	(171.9)	-0.9%
Maintenance & Repairs	(10.1)	(8.7)	+16.1%	(28.0)	(25.2)	+11.1%
Marketing	(19.1)	(19.3)	-1.0%	(55.4)	(57.0)	-2.8%
Other OpEx	(79.1)	(76.4)	+3.5%	(230.2)	(222.7)	+3.4%
<b>Total Operating Expenses (ex- Depreciation)</b>	<b>(289.5)</b>	<b>(312.1)</b>	<b>-7.2%</b>	<b>(865.9)</b>	<b>(901.3)</b>	<b>-3.9%</b>
<b>Total OpEx (ex- Depreciation, VES &amp; Restructuring Costs)</b>	<b>(288.1)</b>	<b>(308.9)</b>	<b>-6.7%</b>	<b>(860.1)</b>	<b>(893.9)</b>	<b>-3.8%</b>
EBITDA	165.5	180.7	-8.4%	449.2	493.2	-8.9%
<i>as % of Revenues</i>	<i>36.5%</i>	<i>36.9%</i>	<i>-0.4pp</i>	<i>34.2%</i>	<i>35.5%</i>	<i>-1.3pp</i>
<b>Pro forma EBITDA*</b>	<b>166.9</b>	<b>183.9</b>	<b>-9.2%</b>	<b>455.0</b>	<b>500.6</b>	<b>-9.1%</b>
<b><i>as % of Revenues</i></b>	<b><i>36.9%</i></b>	<b><i>37.6%</i></b>	<b><i>-0.7pp</i></b>	<b><i>34.7%</i></b>	<b><i>36.1%</i></b>	<b><i>-1.4pp</i></b>
Depreciation & Amortization	(89.6)	(84.6)	+5.9%	(258.0)	(262.3)	-1.6%
<b>Operating Profit before financial activities (EBIT)</b>	<b>75.9</b>	<b>96.1</b>	<b>-21.0%</b>	<b>191.2</b>	<b>230.9</b>	<b>-17.2%</b>

\*Excluding impact of Voluntary Retirement Programs and Restructuring Plans

**Note: All figures adjusted to reflect only continuing operations (Bulgarian operations treated as discontinued operations)**

## EXHIBIT VII – OPERATIONAL HIGHLIGHTS

	Sep 30, 2014	Sep 30, 2013	Change
<b>Fixed Line Operations, Greece</b>			
PSTN connections	2,435,562	2,579,272	-5.6%
ISDN connections (BRA & PRA)	339,277	366,973	-7.5%
Other (MSAN)	13,104	6,685	+96.0%
<b>OTE access line connections (incl. WLR)</b>	<b>2,787,943</b>	<b>2,952,930</b>	<b>-5.6%</b>
<i>Of which Wholesale line rental (WLR) connections</i>	<i>39,178</i>	<i>51,817</i>	<i>-24.4%</i>
<b>OTE Retail access line connections (ex-WLR)</b>	<b>2,748,765</b>	<b>2,901,113</b>	<b>-5.3%</b>
<hr/>			
Total OTE Broadband active subscribers	1,358,841	1,271,449	+6.9%
<b>OTE Broadband active retail subscribers</b>	<b>1,334,894</b>	<b>1,245,258</b>	<b>+7.2%</b>
OTE TV Subscribers (IPTV & Satellite)	320,578	218,066	+47.0%
Unbundled local loops (active)	1,984,977	1,860,749	+6.7%
Employees	6,878	8,717	-21.1%
<hr/>			
<b>Fixed Line Operations, Romania</b>			
Voice Telephony lines (Incl. CDMA)	2,166,417	2,270,045	-4.6%
Broadband subscribers(Incl. CDMA BB)	1,237,638	1,237,947	-0.0%
TV subscribers (DTH, IPTV & Cable)	1,396,973	1,320,038	+5.8%
Employees	6,008	7,098	-15.4%
<hr/>			
<b>Mobile Operations</b>			
Mobile subscribers, Greece	7,335,833	7,550,099	-2.8%
Mobile subscribers, Albania	2,042,144	2,028,166	+0.7%
Mobile subscribers, Romania	5,889,705	6,057,623	-2.8%
Employees (ex-Bulgaria)	5,766	6,125	-5.9%