GROUP OF COMPANIES

OTE GROUP REPORTS 2019 FIRST QUARTER RESULTS

- Group Revenue stable; Adj. EBITDA down 0.9% as Romania offsets positive Greek performance
- Sustained top-line growth in Greece, solid performances in both Fixed and Mobile
  - Record fiber additions; TV revenues up; mobile post-paid subscriptions extend positive trend
  - Revenue up 1.7%, driven by data
  - Adj. EBITDA up 1.5% on top of positive one-offs in Q1 last year
- Romania: 2018 base penalizes Q1; expected stabilization in H2
- Adjusted FCF up €22mn, comforting guidance
- Albania disposal completed, extraordinary €0.06 dividend per share to be distributed to shareholders

(€ mn)	Q1 '19	Q1 '18	Change
Revenues	908.6	906.9	+0.2%
Adjusted EBITDA before IFRS 16	310.6	313.4	*-0.9%*
margin (%)	*34.2%*	*34.6%*	*-0.4pp*
Adjusted EBITDA After Lease (AL)	308.3	n/a	n/a
margin %	*33.9%*	n/a	n/a
Operating profit before financial and investing activities	133.3	112.2	+18.8%
Profit to owners of the parent	61.9	45.3	+36.6%
Adj. Profit to owners of the parent	62.9	56.8	+10.7%
Basic EPS (€)	0.1292	0.0927	+39.4%
Total Assets	6,945.2	6,585.9	+5.5%
Adjusted Capex	176.1	165.2	+6.6%
Adjusted Free Cash Flow before IFRS 16	35.6	13.6	+161.8%
Net Free Cash Flow before IFRS 16	29.4	(3.4)	-
Cash & Other financial assets	1,000.8	765.9	+30.7%
Adjusted Net Debt before IFRS 16	732.2	748.0	-2.1%
Adjusted Net Debt Under IFRS 16	1,148.0	n/a	n/a

Note: The purpose and calculations of all 'Adjusted' data presented in this report are detailed in the Alternative Performance Measures Section.
The Group has applied IFRS 16 and the comparative information for 2018 is not restated. For comparability purposes Alternative Performance Measures before the adoption of IFRS 16 and EBITDA (AL) figures are detailed in the Alternative Performance Measures Section.

Note: All figures (apart from Balance Sheet) adjusted to reflect only continuing operations — Albanian operations treated as discontinued operations.

ATHENS, Greece – May 09, 2019 - Hellenic Telecommunications Organization SA (ASE: HTO; OTC MARKET: HLTOY), the Greek full-service telecommunications provider, announced today consolidated results (prepared under IFRS) for the quarter ended March 31, 2019.

Commenting on OTE's 2019 first-quarter performances, Michael Tsamaz, Chairman & CEO, noted: "OTE had a satisfactory start to the year. Trends in Greece are challenging but positive, aligned with what we delivered in 2018—revenues from retail fixed and mobile services were up in all segments, with another strong showing in broadband. In Romania, adjusting for the provisions we took at the end of last year, we are seeing signs of recovery. Group EBITDA was down slightly, as the steady performance in Greece was not enough to offset a decline in Romania, resulting mostly from a high comparison base throughout the first half of last year. While operating metrics remain favorable, new European and local regulations, combined with tough comparisons in the past year, will create some headwinds in coming quarters. This strengthens our resolve to launch a new phase in our transformation, taking advantage of digitalization opportunities, in order to shrink our fixed cost base, face potential challenges, and continue delivering growth."

Mr. Tsamaz added: "Two days ago, we completed the sale of our mobile Albanian subsidiary. Together with our strong cash flow generation, confirmed by the first quarter's on-track delivery, net proceeds from this disposal will ensure a substantial shareholder remuneration."

Outlook

In Greece, where a gradual economic recovery is continuing, OTE expects to further benefit from its investments in advanced data networks in both fixed and mobile, as well as from the customer-centric strategy that has supported its revenue growth in the past years. Revenues in Romania are expected to stabilize following the 2018 one-off items. The Group systematically explores cost-reduction measures to support growth and the necessary investments across its businesses. The Group has launched a number of initiatives to digitize its customer interactions, which will enable significant improvements going forward. In 2019, management continues to expect adjusted Capex of approximately €650mn. Primarily reflecting lower Capex and further Operating Cash Flow improvements, OTE expects 2019 full-year adjusted FCF of approximately €450mn, while reported FCF should reach approximately €350mn.

OTE GROUP HIGHLIGHTS

The OTE Group's consolidated revenues rose slightly to €908.6mn in Q1'19. A solid top-line performance in Greece, up €11.5mn, more than offset a €9.9mn drop in revenues in Romania.

Total Operating Expenses, excluding depreciation, amortization, impairment and charges related to restructuring costs (primarily voluntary leave schemes), amounted to €583.7mn in Q1'19, a 3.6% decrease reflecting the adoption of IFRS 16 (Leases). Before IFRS 16, Operating expenses were essentially unchanged compared to Q1'18. Personnel expenses, totaling €150.5mn, were up 19.5%; this increase primarily reflects their exceptionally low level in Q1'18, when the Company benefited from a one-off reversal of part of its Staff Retirement Indemnity (SRI) provision following the adoption of a new Collective Labor Agreement. Excluding this one-off factor, Personnel expenses were down by 1.2%, reflecting recent voluntary retirement schemes.

In Q1'19, the Group's Adjusted EBITDA before IFRS 16 decreased by 0.9% to €310.6mn, yielding an Adjusted EBITDA margin of 34.2%. In Greece, Adjusted EBITDA before IFRS 16 increased by 1.5% to €284.4mn, and the Adjusted EBITDA margin, at 40.8%, was down 10bps from the level in Q1'18, due to unusually low personnel expense in Q1 last year.

The Group reported Operating profit before financial and investing activities of €133.3mn, compared to €112.2mn in Q1'18. Depreciation and Amortization, totaling €199.9mn, were stable compared to Q1'18.

The Group's Income Tax charge stood at €46.4mn in Q1'19, nearly unchanged from Q1'18.

Adjusted Group profit after minority interests (excluding one-off items) increased by 10.7% to €62.9mn in Q1'19 compared to €56.8mn in Q1'18.

Adjusted Capital Expenditures amounted to €176.1mn in Q1'19, up 6.6%, with investments in Greece and Romania standing at €116.3mn and €59.8mn, respectively.

In Q1'19, the Group's comparable adjusted Free Cash Flow (before IFRS 16) reached €35.6mn, a €22.0mn increase compared to Q1'18, reflecting higher Operating Cash Flow.

The Group's adjusted Net Debt before IFRS 16 was €732.2mn at March 31, 2019, down 2.1% compared to March 31, 2018. The Group's ratio of adjusted Net Debt to 12-month adjusted EBITDA stood at 0.6x.

Revenues	Q1 '19	Q1 '18	Change
Greece	697.0	685.5	+1.7%
Romania	216.6	226.5	-4.4%
Eliminations	(5.0)	(5.1)	-2.0%
OTE GROUP	**908.6**	**906.9**	**+0.2%**

Adjusted EBITDA before IFRS 16	Q1 '19	Q1 '18	Change	Adj. EBITDA (AL) Q1'19
Greece	284.4	280.3	+1.5%	282.6
Margin (%)	*40.8%*	*40.9%*	*-0.1 pp*	*40.5%*
Romania	26.2	33.1	-20.8%	25.7
Margin (%)	*12.1%*	*14.6%*	*-2.5pp*	*11.9%*
OTE GROUP	**310.6**	**313.4**	**-0.9%**	**308.3**
margin (%)	***34.2%***	***34.6%***	***-0.4pp***	***33.9%***

Note: Adjusted EBITDA (AL) is defined as Adjusted EBITDA deducting the Depreciation of lessee use rights to leased assets and Interest expense of leases.

GREECE

	Q1'19	Q1'18	*y-o-y change*	*Q1'19 net adds*
Fixed lines access	2,647,449	2,645,003	+0.1%	(3,546)
Broadband subscribers	1,920,387	1,802,680	+6.5%	24,051
*of which fiber service**	*585,562*	405,321	+44.5%	54,228
TV subscribers	540,349	527,716	+2.4%	(1,558)
Mobile Subscribers	7,681,582	8,053,430	-4.6%	(223,439)

**Including VDSL, Vectoring & Super Vectoring*

In Q1'19, the total Greek access market added 6k lines, while OTE's fixed-line operations posted a net loss of 4k access lines.

OTE achieved another quarter of solid net additions in retail broadband customers, totaling 24k since the beginning of the year, to reach 1,920k. Penetration of OTE's high-speed fiber broadband service continued to make progress, with record net additions of 54k in the quarter, supported by the expanding reach of the service and enabling OTE to steadily monetize its investments in infrastructure. At quarter end, OTE's fiber offer had been adopted by 586k subscribers, reaching 30.5% of OTE's total retail broadband base. At March 31, OTE's total number of VDSL/Vectoring activated cabinets amounted to 14.4k, an increase of over 600 units in the quarter. As of March 31, 2019, 65% of OTE fiber broadband customers enjoyed speeds of 50 Mbps or more, as compared to 36% one year earlier. Increasingly, customers are opting for faster speeds, which OTE is making available through its investments.

As of March 31, 2019, the total number of COSMOTE TV subscribers was 540k, up 2.4% year-on-year. In revenue terms TV posted a positive quarter, in a challenging environment, with OTT offerings and piracy on the rise.

OTE is working on an extensive value-enhancement action plan targeting its pre-paid customer base as well as on initiatives aimed at accelerating pre-to post-paid migration. As a result, the total number of pre-paid was sharply reduced due to multiple SIM consolidation, while blended ARPU was up significantly in the quarter. Data traffic continued to increase at a rapid pace, fueled by the growth in active users, higher usage and rising smartphone penetration.

OTE is creating the digital framework to offer customers an enhanced portfolio of services, leveraging its client relationships and retail penetration. OTE recently initiated new services in insurance aggregation and food delivery. The Company is also in the planning phase for the launch of additional e-services.

OTE's digital app has already attracted approximately 2.4 million users, taking advantage of a growing number of features, including the possibility to renew mobile subscriptions or data bundles, pay bills, and tap OTE's new services. The push towards digitalization is driving a new wave of transformation and increasing operational efficiencies.

Quarterly Figures (€ mn)	**Q1 '19**	**Q1 '18**	**Change**
Revenues	**697.0**	**685.5**	**+1.7%**
Retail Fixed Services	*231.3*	*224.9*	*+2.8%*
Mobile Service Revenues	*215.2*	*212.6*	*+1.2%*
Wholesale Services	*140.7*	*139.9*	*+0.6%*
Other Revenues	*109.8*	*108.1*	*+1.6%*
Adjusted EBITDA before IFRS 16	**284.4**	**280.3**	**+1.5%**
Adjusted EBITDA margin (%)	***40.8%***	***40.9%***	***-0.1pp***

In Greece, total revenues further increased, reaching €697.0mn, a rise of 1.7%, in Q1'19. Retail fixed services increased by 2.8%, fueled by positive growth in voice, TV and particularly broadband.

Wholesale revenues were up slightly in the first quarter of 2019.

Mobile Service revenues increased by 1.2% in the quarter, driven by revenues from data services, up more than 18%.

Total Adjusted EBITDA Before IFRS 16 in Greece was up 1.5% in the quarter at €284.4mn, yielding a margin of 40.8%.

ROMANIA

	Q1'19	**Q1'18**	***y-o-y change***	***Q1'19 net adds***
Voice *	2,137,445	2,093,649	+2.1%	(4,081)
Broadband *	1,117,769	1,170,274	-4.5%	(25,534)
TV subscribers	1,408,947	1,463,801	-3.7%	(34,085)
FMC customers	*770,916*	*550,000*	*+40.2%*	*44,684*
Mobile Subscribers	4,646,599	4,681,751	-0.8%	(15,993)

**Includes FMC*

Quarterly Figures (€ mn)	**Q1 '19**	**Q1 '18**	**Change**
Revenues	**216.6**	**226.5**	**-4.4%**
Retail Fixed Services	*57.8*	*65.8*	*-12.2%*
Mobile Service Revenues	*76.2*	*81.6*	*-6.6%*
Wholesale Services	*27.1*	*19.6*	*+38.3%*
Other Revenues	*55.5*	*59.5*	*-6.7%*
Adjusted EBITDA before IFRS 16	***26.2***	***33.1***	***-20.8%***
Adjusted EBITDA margin (%)	***12.1%***	***14.6%***	***-2.5pp***

While demand for legacy technologies in broadband (copper) and TV (DTH) is continuing to shrink, services and offerings relying on the Company's new infrastructure are proving increasingly popular. Through its FMC offering, Telekom Romania further strengthens customer loyalty, and a number of brand and network surveys point to positive trends.

Total revenues for Romania were down by 4.4% to €216.6mn in Q1'19.

Revenues from Retail Fixed Services amounted to €57.8mn, down 12.2%, mainly as a result of lower revenues from fixed voice services, reflecting an unfavorable evolution in both voice ARPU and customer base.

Mobile Service revenues were down 6.6% to €76.2mn in Q1'19. The decrease is chiefly due to the impact of the transition in IT platforms accounted for in Q4'18, which led to a number of disconnections in the latter part of the year. As a result, comps in the first half of 2018 were adversely high. With a normalized comparison base in H2, the Company expects stabilization of its Mobile Service revenue in the second half of the year.

Higher revenues from Wholesale Services primarily reflected the increase in international transit traffic business.

Adjusted EBITDA before IFRS 16 in Romania decreased by 20.8% to €26.2mn in Q1'19. Adjusting for the 2018 base effect the decline would be approximately 7%. The Company is undertaking a series of cost-containment initiatives that are expected to drive efficiencies starting in the second half of this year.

SIGNIFICANT EVENTS OF THE QUARTER

Dividend

The Board of Directors of OTE will propose to the Company's Annual General Assembly of Shareholders of June 12, 2019 the distribution of a dividend of €0.46 per share outstanding, up from €0.35 per share distributed last year. The corresponding dividend payout, i.e. €220.8mn, is aligned with OTE's Shareholder Remuneration policy adopted in early 2018, allocating 63% of its expected reported Free Cash Flow of year 2019 to its ordinary dividend.

Share Buyback

As part of its approved Shareholder Remuneration Policy, OTE will allocate the balance of the reported Free Cash Flow it expects to generate in 2019, after ordinary dividend, to repurchases of shares for cancellation. The estimated amount of the share repurchase program will range within 5% of the targeted amount of €129.2mn.

Cancellation of Own Shares

In 2018, 8,890,960 own shares were acquired for the purpose of cancellation within the framework of the Share Repurchase Program approved by the General Meeting of Shareholders on February 15, 2018. In addition, prior to the commencement of the aforementioned Share Repurchase Program, OTE held 1,320,110 of its own shares.

The Extraordinary General Meeting of Shareholders of December 19, 2018 approved the cancellation of the aforementioned total own shares, i.e. 10,211,070 shares (2.083% of total share capital), together with the corresponding reduction in the Company's share capital and amendment of the Company's Articles of Incorporation in order to reflect such reduction. The cancellation was proposed pursuant to the Shareholders Remuneration Policy approved by the Board of Directors on January 18, 2018.

On February 5, 2019, following notification to the Corporate Actions Committee of the Athens Stock Exchange and other legal and regulatory procedures, the aforementioned shares were canceled and delisted from the Athens Exchange effective February 19, 2019.

SUBSEQUENT EVENTS

Disposal of Telekom Albania

On May 8, after receiving approval from all relevant authorities, OTE announced the completion of its previously announced sale of its entire stake in Telekom Albania Sh.A, to Albania Telecom Invest AD, for a total gross equity consideration of €50mn. Subject to Board of Directors approval, net proceeds corresponding to an extraordinary €0.06 dividend per share will be distributed to shareholders.

Voluntary Leave Scheme

In Q2'19, OTE Group implemented a Voluntary Leave Scheme program; approximately 320 people are eligible to leave the Group under this program.

About OTE

OTE Group is the largest telecommunications provider in the Greek market and one of the leading telecom groups in Southeast Europe with presence in Greece and Romania. OTE is among the largest listed companies, with respect to market capitalization, in the Athens Stock Exchange.

OTE Group offers the full range of telecommunications services: from fixed-line and mobile telephony, broadband services, to pay television and ICT solutions. In addition to its core telecommunications activities, the Group is also involved in maritime communications, real-estate, insurance distribution and professional training.

Additional Information is also available on: https://www.cosmote.gr/

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Forward looking Disclaimer:

Certain statements in this document constitute forward-looking statements. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. OTE will not update such statements on a regular basis. As a result, you are cautioned not to place any reliance on such forward-looking statements. Nothing in this document should be construed as a profit forecast and no representation is made that any of these statement or forecasts will come to pass. Persons receiving this announcement should not place undue reliance on forward-looking statements and are advised to make their own independent analysis and determination with respect to the forecast periods, which reflect the Group's view only as of the date hereof.

Exhibits to follow:

I. Alternative Performance Measures "APMs"

II. Consolidated Statements of Financial Position as of March 31, 2019 and December 31, 2018

III. Consolidated Income Statements for the quarter ended March 31, 2019 and comparative 2018

IV. Group Revenues for the quarter ended March 31, 2019 and comparative 2018

V. Consolidated Statement of Cash Flows for the quarter ended March 31, 2019 and comparative 2018

Note: All figures (Apart from Balance Sheet) adjusted to reflect only continuing operations - Albanian operations treated as discontinued operations.

I. ALTERNATIVE PERFORMANCE MEASURES "APMs"

The Group uses certain Alternative Performance Measures ("APMs") in making financial, operating and planning decisions as well as in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group's underlying operating and financial performance, financial condition and cash flow. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

Definitions and reconciliations of Alternative Performance Measures ("APMs")

Alternative Performance Measures ("APMs")

In discussing the performance of the Group, "Adjusted" measures are used such as: Adjusted EBITDA and the respective margin %, Adjusted CapEx, and Adjusted Free Cash Flow. These are calculated by deducting from the performance measures deriving from directly reconcilable amounts of the Consolidated Statement of Financial Position (Exhibit II), Consolidated Income Statement (Exhibit III) and Consolidated Statement of Cash Flow (Exhibit V), the impact of costs or payments related to voluntary leave schemes, costs or payments for restructuring plans and non-recurring litigations and Spectrum acquisitions.

Costs or payments related to Voluntary Leave Schemes

Costs or payments related to Voluntary Leave Schemes comprise the exit incentives provided to employees and the contributions to the social security fund to exit/retire employees before conventional retirement age. These costs are included within the income statement as well as within the cash flow statement lines "costs related to voluntary leave schemes" and "payment for voluntary leave schemes". However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

Costs or payments related to other restructuring plans and non-recurring litigations

Other restructuring costs and non-recurring litigations comprise non-ongoing activity related costs arising from significant changes in the way the Group conducts business and non-recurring legal expenses. These costs are included in the Group's income statement, while the payment of these expenses is included in the cash flow statement. However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

Spectrum acquisition payments

Spectrum payments comprise the amounts paid to acquire rights (licenses) through auctions run by the National Regulator to transmit signals over specific bands of the electromagnetic spectrum. As those payments are of significant size and of irregular timing, it is a common industry practice to be excluded for the calculation of the Adjusted Free Cash Flow and Adjusted Capital Expenditure (CapEx) in order to facilitate comparability with industry peers.

Net debt (before IFRS 16)

Net debt is an APM used by management to evaluate the Group's capital structure and leverage. Net debt is defined as short-term borrowings plus long-term borrowings plus short-term portion of long-term borrowings less cash and cash equivalents as illustrated in the table below.

Adjusted Net Debt (before IFRS 16)

Adjusted Net debt is used by management to evaluate the Group's capital structure and leverage defined as Net debt including other financial assets as they are highly liquidity assets. The calculations are described in the table below:

Amounts in € mn	31/03/2019	31/03/2018	Change
Long-term borrowings	1,246.4	1,327.7	-6.1%
Short-term portion of long-term borrowings	483.7	186.2	-
Short-term borrowings	2.9	-	-
Cash and cash equivalents	(995.4)	(760.0)	+31.0%
Net Debt Before IFRS 16	**737.6**	**753.9**	**-2.2%**
Other financial assets	(5.4)	(5.9)	-8.5%

Adjusted Net Debt Before IFRS 16	**732.2**	**748.0**	**-2.1%**

Net Debt & Adjusted Net Debt under IFRS 16
Net debt and Adjusted Net Debt under IFRS 16 are used by management to evaluate the Group's capital structure and leverage taking into account other financial liabilities related to leases. They are defined as Net debt and adjusted Net Debt before IFRS 16 (described above) adding other financial liabilities related to leases as described below:

Amounts in € mn	31/03/2019	31/03/2018	Change
Net Debt	**737.6**	**753.9**	**-2.2%**
Lessee lease liabilities due > 1y	347.0	-	-
Lessee lease liabilities due < 1y	68.8	-	-
Net Debt Under IFRS 16	**1,153.4**	**753.9**	**+53.0%**
Other financial assets	(5.4)	(5.9)	-8.5%
Adjusted Net Debt Under IFRS 16	**1,148.0**	**748.0**	**+53.5%**

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)
EBITDA is intended to provide useful information to analyze the Group's operating performance. EBITDA is defined as total revenues plus other operating income less total operating expenses before depreciation, amortization and impairment, as illustrated in the table below. EBITDA margin (%) is defined as EBITDA divided by total revenues.

Adjusted EBITDA (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations)
Adjusted EBITDA is intended to provide useful information to analyze the Group's operating performance excluding the impact of costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations. Adjusted EBITDA is defined as EBITDA adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA margin (%) is defined as Adjusted EBITDA divided by total revenues.
Adjusted EBITDA before IFRS 16 is used by the management in order to facilitate comparability with prior year's figures. It is defined as deducting from Adjusted EBITDA the lease expense adjustment as well as other lease related adjustments. Adjusted EBITDA before IFRS 16 margin (%) is defined as Adjusted EBITDA before IFRS 16 divided by total revenues.

Amounts in € mn	Q1 '19	Q1 '18	Change
Total Revenues	908.6	906.9	+0.2%
Other Operating Income	10.0	11.9	-16.0%
Total operating expenses before depreciation, amortization and impairment	(585.4)	(605.6)	-3.3%
EBITDA	**333.2**	**313.2**	**+6.4%**
margin %	***36.7%***	***34.5%***	***+2.2pp***
Costs related to voluntary leave schemes	1.7	0.2	-
Other restructuring costs and non-recurring litigations	-	-	-
Adjusted EBITDA	**334.9**	**313.4**	**+6.9%**
margin %	***36.9%***	***34.6%***	***+2.3pp***
Lease Expense and other lease related adjustments	(24.3)	-	-
Adjusted EBITDA before IFRS 16	**310.6**	**313.4**	**-0.9%**
margin %	***34.2%***	***34.6%***	***-0.4pp***

EBITDA (AL) (Earnings before Interest, Taxes, Depreciation and Amortization after Lease)
EBITD (AL) is intended to provide useful information to analyze the Group's operating performance. EBITD (AL) is defined as EBITDA deducting the depreciation and interest expense of leases, as illustrated in the table below. EBITDA (AL) margin (%) is defined as EBITDA (AL) divided by total revenues.

Adjusted EBITDA (AL) (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations after Lease)

Adjusted EBITDA (AL) is intended to provide useful information to analyze the Group's operating performance.

Adjusted EBITDA (AL) is defined as EBITDA (AL) adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA (AL) margin (%) is defined as Adjusted EBITDA (AL) divided by total revenues.

Amounts in € mn	**Q1 '19**
EBITDA	**333.2**
margin %	***36.7%***
Depreciation of lessee use rights to leased assets	(21.0)
Interest expense of leases	(5.6)
EBITDA (AL) (after lease)	**306.6**
margin %	***33.7%***
Costs related to voluntary leave schemes	1.7
Other restructuring costs and non-recurring litigations	-
Adjusted EBITDA (AL) (after lease)	**308.3**
margin %	***33.9%***

Adjusted Profit to owners of the parent

Adjusted Profit for the period attributable to owners of the parent is intended to provide useful information to analyze the Group's net profitability excluding the impact of significant non-recurring or irregularly recorded items in order to facilitate comparability with previous ongoing performance. Adjusted Profit for the period (attributable to owners of the parent) is calculated by adding back to the Profit of the period (attributable to owners of the parent) the impact upon it of the following items: costs related to voluntary leave schemes, net impact from impairments and write offs, reassessment of deferred tax, financial expenses for bond issue and bond buyback premium, reversal of provision related to assets sales, other restructuring costs, non-recurring litigation expenses, effect of changes to tax rate and tax effect from deductible investment losses, as illustrated in the table below:

Amounts in € mn – After Tax impact	**Q1 '19**	**Q1 '18**	**Change**
Profit to owners of the parent from continuing operations (reported)	**61.9**	**45.3**	**+36.6%**
Costs related to voluntary leave schemes	1.0	0.1	-
Other restructuring & non-recurring litigations	-	-	-
Net Impact from Impairments & Write offs	-	11.4	-
Utilization of previously unrecognized tax losses	-	-	-
Effect of changes to tax rate	-	-	-
Reversal of provision related to Assets Sales	-	-	-
Adjusted Profit to owners of the parent	**62.9**	**56.8**	**+10.7%**

Capital expenditure (CAPEX) and Adjusted Capital expenditure

Capital expenditure is defined as payments for purchase of property plant and equipment and intangible assets. The Group uses capital expenditure as an APM to ensure that the cash spending is in line with its overall strategy for the use of cash. Adjusted capital expenditure is calculated by excluding from Capital expenditure, spectrum payments and capital expenditure payments related to non-recurring litigation as illustrated in the table below:

Amounts in € mn	Q1 '19	Q1 '18	Change
Purchase of property plant and equipment and intangible assets (reported) - CAPEX	(176.1)	(178.7)	-1.5%
Spectrum Payments	-	13.5	-100.0%
Adjusted CAPEX	**(176.1)**	**(165.2)**	**+6.6%**

Free Cash Flow

Free Cash Flow is an APM used by the Group and defined as cash generated by operating activities, excluding net cash flows from operating activities of discontinued operations, after payments for purchase of property plant and equipment and intangible assets (CAPEX) and adding the interest received. Free Cash Flow is intended to measure the cash generation from the Group's business, based on operating activities, including the efficient use of working capital and taking into account its payments for purchases of property plant and equipment and intangible assets. The Group presents free cash flow because it believes the measure assists users of the financial accounts in understanding the Group's cash generating performance as well as availability for debt repayment, dividend distribution and own reserves.

Free Cash Flow before IFRS 16 is used by management in order to facilitate comparability with prior year's figures and it is defined as Free Cash Flow adding the Lease repayments.

Amounts in € mn	Q1 '19	Q1 '18	Change
Net cash flows from operating activities -Total	221.5	171.2	+29.4%
Minus: Net cash flows from operating activities of discontinued operations	4.3	3.7	+16.2%
Interest received	0.6	0.4	+50.0%
Purchase of property, plant, equipment & intangible assets	(176.1)	(178.7)	-1.5%
Free Cash Flow	**50.3**	**(3.4)**	**-**
Lease repayments	(20.9)	-	-
Free Cash Flow before IFRS 16	**29.4**	**(3.4)**	**-**

Adjusted Free Cash Flow

Adjusted Free Cash Flow facilitates comparability of Cash Flow generation with industry peers. Adjusted Free Cash Flow is useful in connection with discussions with the investment analyst community and debt rating agencies. Adjusted Free Cash Flow is calculated by excluding from the Free Cash Flow (defined earlier) the payments related to voluntary leave schemes, other restructuring plans and non-recurring litigation expenses and spectrum.

Adjusted Free Cash Flow before IFRS 16 is defined as Adjusted Free Cash Flow adding the Lease repayments.

Amounts in € mn	Q1 '19	Q1 '18	Change
Free Cash Flow	**50.3**	**(3.4)**	**-**
Payment for voluntary leave schemes	5.8	3.5	+65.7%
Payment for restructuring and non-recurring litigations	0.4	-	-
Spectrum payments	-	13.5	-100.0%
Adjusted FCF	**56.5**	**13.6**	**-**
Lease repayments	(20.9)		-
Adjusted FCF before IFRS 16	**35.6**	**13.6**	**+161.8%**

II. GROUP CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Amounts in €mn	31/03/2019	31/12/2018
ASSETS		
Non - current assets		
Property, plant and equipment	2,675.2	2,741.1
Lessee use rights to leased assets	443.3	-
Goodwill	445.5	446.9
Telecommunication licenses	433.8	448.5
Other intangible assets	438.4	432.2
Investments	0.1	0.1
Loans to pension funds	78.4	79.2
Deferred tax assets	255.1	254.8
Contract costs	48.3	50.2
Other non-current assets	92.1	115.8
Total non - current assets	**4,910.2**	**4,568.8**
Current assets		
Inventories	74.3	82.0
Trade receivables	620.9	606.0
Other financial assets	5.4	5.1
Contract assets	35.0	36.4
Other current assets	227.8	245.5
Restricted Cash	2.9	2.9
Cash and cash equivalents	995.4	1,084.7
Total current assets	**1,961.7**	**2,062.6**
Assets of disposal group classified as held for sale	**73.3**	**68.5**
TOTAL ASSETS	**6,945.2**	**6,699.9**

Amounts in €mn	31/03/2019	31/12/2018
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	1,358.2	1,387.1
Share premium	486.5	496.7
Treasury shares	(14.4)	(108.5)
Statutory reserve	383.3	383.3
Foreign exchange and other reserves	(144.0)	(122.8)
Changes in non-controlling interests	(3,314.1)	(3,314.1)
Retained earnings	3,611.8	3,611.5
Total equity attributable to owners of the parent	**2,367.3**	**2,333.2**
Non-controlling interests	230.6	241.5
Total equity	**2,597.9**	**2,574.7**
Non-current liabilities		
Long-term borrowings	1,246.4	1,280.6
Provision for staff retirement indemnities	193.4	186.9
Provision for youth account	119.6	120.9
Contract liabilities	42.6	50.8
Lessee lease liabilities due > 1 year	347.0	-
Deferred tax liabilities	22.3	23.7
Other non – current liabilities	86.7	87.8
Total non – current liabilities	**2,058.0**	**1,750.7**
Current liabilities		
Trade accounts payable	911.4	1,034.0
Short-term borrowings	2.9	-
Short-term portion of long-term borrowings	483.7	548.0
Income tax payable	53.9	25.5
Contract liabilities	119.9	122.0
Lessee lease liabilities due <= 1 year	68.8	-
Provision for voluntary leave schemes	139.4	141.1
Dividends payable	0.8	0.8
Other current liabilities	475.7	464.4
Total current liabilities	**2,256.5**	**2,335.8**
Liabilities of disposal group classified as held for sale	**32.8**	**38.7**
TOTAL EQUITY AND LIABILITIES	**6,945.2**	**6,699.9**

III. CONSOLIDATED INCOME STATEMENT

Amounts in € mn	Q1'19	Q1'18	%
Total revenues	**908.6**	**906.9**	**+0.2%**
Other operating income	**10.0**	**11.9**	**-16.0%**
Operating expenses			
Interconnection and roaming costs	(132.3)	(128.6)	+2.9%
Provision for doubtful accounts	(25.5)	(29.3)	-13.0%
Personnel costs	(150.5)	(125.9)	+19.5%
Costs related to voluntary leave schemes	(1.7)	(0.2)	-
Commission costs	(21.9)	(25.2)	-13.1%
Merchandise costs	(75.8)	(85.6)	-11.4%
Maintenance and repairs	(22.3)	(26.9)	-17.1%
Marketing	(18.9)	(20.2)	-6.4%
Other operating expenses	(136.5)	(163.7)	-16.6%
Total operating expenses before depreciation, amortization and impairment	**(585.4)**	**(605.6)**	**-3.3%**
Operating profit before financial and investing activities, depreciation, amortization and impairment	**333.2**	**313.2**	**+6.4%**
Depreciation, amortization and impairment	(199.9)	(201.0)	-0.5%
Operating profit before financial and investing activities	**133.3**	**112.2**	**+18.8%**
Income and expense from financial and investing activities			
Interest and related expenses	(25.8)	(23.9)	+7.9%
Interest income	0.6	0.4	+50.0%
Foreign exchange differences, net	(5.6)	(1.4)	-
Gains / (losses) from investments and other financial assets - Impairment	0.3	(0.1)	-
Total loss from financial and investing activities	**(30.5)**	**(25.0)**	**+22.0%**
Profit before tax	**102.8**	**87.2**	**+17.9%**
Income tax	(46.4)	(46.6)	-0.4%
Profit for the period from continuing operations	**56.4**	**40.6**	**+38.9%**
Profit/(loss) from discontinued operations	11.0	(6.3)	-
Profit /(Loss) for the period	**67.4**	**34.3**	**+96.5%**
Attributable to:			
Owners of the parent	**72.9**	**39.0**	**+86.9%**
Non-controlling interests	(5.5)	(4.7)	+17.0%

IV. GROUP REVENUES

Amounts in € mn	Q1'19	Q1'18	%
Revenue			
Fixed business:			
Retail services revenues	289.2	290.7	-0.5%
Wholesale services revenues	167.2	158.9	+5.2%
Other revenues	69.6	69.3	+0.4%
Total revenues from fixed business	**526.0**	**518.9**	**+1.4%**
Mobile business:			
Service revenues	291.3	294.4	-1.1%
Handset revenues	57.5	61.2	-6.0%
Other revenues	5.7	6.7	-14.9%
Total revenues from mobile business	**354.5**	**362.3**	**-2.2%**
Miscellaneous other revenues	**28.1**	**25.7**	**+9.3%**
Total revenues	**908.6**	**906.9**	**+0.2%**

V. CONSOLIDATED STATEMENT OF CASH FLOW

Amounts in € mn	Q1'19	Q1'18	%
Cash flows from operating activities			
Profit before tax	102.8	87.2	+17.9%
Adjustments for:			
Depreciation, amortization and impairment	199.9	201.0	-0.5%
Costs related to voluntary leave schemes	1.7	0.2	-
Provision for staff retirement indemnities	1.4	(31.1)	-
Provision for youth account	0.6	0.7	-14.3%
Foreign exchange differences, net	5.6	1.4	-
Interest income	(0.6)	(0.4)	+50.0%
(Gains) / losses from investments and other financial assets-Impairments	(0.3)	0.1	-
Interest and related expenses	25.8	23.9	+7.9%
Working capital adjustments:	***(78.7)***	***(56.6)***	***+39.0%***
Decrease / (increase) in inventories	6.7	(16.1)	-
Decrease / (increase) in receivables	(10.2)	(29.0)	-64.8%
(Decrease) / increase in liabilities (except borrowings)	(75.2)	(11.5)	-
Plus /(Minus):			
Payment for voluntary leave schemes	(5.8)	(3.5)	+65.7%
Payment of staff retirement indemnities and youth account, net of employees' contributions	(2.7)	(2.8)	-3.6%
Interest and related expenses paid	(7.8)	(32.1)	-75.7%
Interest paid for leases	(5.6)	-	-
Income taxes paid	(10.5)	(13.1)	-19.8%
Net cash flows from operating activities of discontinued operations	(4.3)	(3.7)	+16.2%
Net cash flows from operating activities	**221.5**	**171.2**	**+29.4%**
Cash flows from investing activities			
Acquisition of subsidiaries	(0.7)	-	+100.0%
Repayment of loans receivable	1.8	1.8	-
Purchase of property, plant and equipment and intangible assets	(176.1)	(178.7)	-1.5%
Movement in restricted cash	-	(0.2)	-100.0%
Interest received	0.6	0.4	+50.0%
Net cash flows from investing activities of discontinued operations	(3.0)	(4.5)	-33.3%
Net cash flows used in investing activities	**(177.4)**	**(181.2)**	**-2.1%**
Cash flows from financing activities			
Acquisition of Treasury shares	(14.0)	-	-
Proceeds from loans granted and issued	2.9	150.0	-98.1%
Repayment of loans	(99.6)	(678.0)	-85.3%
Lease payments	(20.9)	-	-
Net cash flows from financing activities of discontinued operations	(0.6)	-	-
Net cash flows from / (used in) financing activities	**(132.2)**	**(528.0)**	**-75.0%**
Net increase / (decrease) in cash & cash equivalents	**(88.1)**	**(538.0)**	**-83.6%**
Cash and cash equivalents, at the beginning of the period	1,084.7	1,297.7	-16.4%
Net foreign exchange differences	(1.2)	0.3	-
Cash and cash equivalents, at the end of the period	**995.4**	**760.0**	**+31.0%**