

OTE GROUP REPORTS 2023 SECOND QUARTER RESULTS

Highlights

- Further growth in Greek operations
 - Revenues up 2.4%, Adj. EBITDA (AL) up 0.9%, margin at 40.9%
 - Continuing increase in Mobile Service Revenues, up 2.4%, driven by both postpaid and prepaid - Improving Fixed Broadband trends
 - Positive momentum in operational KPIs—Fiber (FTTx) subscribers up 7%, reaching 65% penetration; FTTH subscriber base up 28k; FTTH footprint growing at 1.1mn homes passed, utilization reaching 19%
- Total Group Revenues up 1.1%; Adj. Group EBITDA (AL) impacted by Romanian operations

(€ mn)	Q2'23	Q2'22	Change	6M'23	6M'22	Change
Revenues	854.1	844.8	+1.1%	1,657.7	1,665.1	-0.4%
Adjusted EBITDA (AL)	326.8	332.8	-1.8%	648.8	658.1	-1.4%
Margin %	38.3%	39.4%	-1.1pp	39.1%	39.5%	-0.4pp
Operating profit before financial and investing activities	151.2	150.5	+0.5%	332.4	329.7	+0.8%
Profit to owners of the parent	111.9	106.8	+4.8%	247.2	236.2	+4.7%
Basic EPS (€)	0.2687	0.2423	+10.9%	0.5786	0.5337	+8.4%
Adjusted Capex	166.7	167.8	-0.7%	246.6	260.8	-5.4%
Adjusted Free Cash Flow (AL)	147.9	159.9	-7.5%	376.7	387.7	-2.8%
Free Cash Flow (AL)	144.0	157.2	-8.4%	370.1	379.0	-2.3%
Cash and cash equivalents	821.1	1,001.1	-18.0%	821.1	1,001.1	-18.0%
Net Debt	390.6	537.4	-27.3%	390.6	537.4	-27.3%

Note: The purpose and calculations of all 'Adjusted' data are detailed in the [Alternative Performance Measures Section](#)

ATHENS, Greece – August 3, 2023 – Hellenic Telecommunications Organization SA

(ASE: HTO; OTC MARKET: HLTOY), the Greek full-service telecommunications provider, today announced audited consolidated results (prepared under IFRS) for the second quarter of 2023.

Message from the Chairman & CEO, Michael Tsamaz:

"We pursued our trajectory of steady progress with positive momentum in the second quarter. OTE achieved significant performance improvements in the Greek market, which, as we had expected, witnessed increased competitive pressures. Another solid increase in mobile service revenues offset the drop in fixed resulting from customer-retention initiatives. Our fiber deployment is on track, and we are pleased with FTTH subscriber takeup, nearly double the penetration level reached one year ago, on a much larger base.

"In a more supportive macroeconomic environment, we expect similar trends to continue in the second half of the year. We will maintain strict cost discipline to sustain our profitability and deliver on our commitments."

Outlook

In a challenging competitive environment, OTE expects to defend its market position and continue benefiting from its ongoing investment in advanced network infrastructure in fixed and mobile. Customer excellence, best-in-class services, and brand recognition, evidenced by all major market surveys, continue to support OTE's solid financial performance in its home market. OTE intends to pursue its investment strategy, focusing on the deployment of FTTH and 5G. OTE anticipates further growing its ICT business, acting as one of the major Systems Integrator for businesses and the public sector in Greece and the EU, supported by ongoing deployment of the Recovery and Resilience Plan.

OTE remains committed to continuously enhancing its efficiency and streamlining its cost base, to support its profitability.



In Greece, OTE expects to maintain current trends in the second half of the year, supported by positive revenue trends in key segments and lower costs in certain categories. Group operations should remain impacted by challenging conditions in Romania.

For full year 2023, OTE management reiterates its Free Cash Flow guidance of approximately €500mn, reflecting higher income tax payments compared to 2022, lower financial expenses, stable Capex, and improvement in operating performance in Greece. 2023 Group CAPEX should remain stable, at approximately €640mn, as the company pursues the deployment of its FTTH infrastructure.

Total 2023 Shareholder Remuneration is targeted at approximately €425mn, corresponding to a €250mn cash dividend and a share buyback program of approximately €175mn. Final dividend of €0.58878 per share was paid out on July 11, 2023. As of today, the Company has disbursed nearly half of its total 2023 share buyback program.

OTE GROUP HIGHLIGHTS

OTE's Consolidated Revenues were up 1.1% in Q2'23 to €854.1mn. In Greece, Revenues were up 2.4% to €786.6mn, as lower retail fixed services were more than offset by continuing strong performances in Mobile and ICT. In Romania, revenues were down 11.4% at €69.3mn, impacted, as in Q1, by termination of the MVNO offering to FMC customers phased out in the second half of 2022, certain customer-retention promotions, and mobile termination rate (MTR) cuts.

Total Operating Expenses, excluding depreciation, amortization, impairment, and charges related to restructuring costs (primarily voluntary leave schemes), amounted to €507.3mn in Q2'23, up 2.9% compared to Q2'22, as the increase in direct costs, associated with higher revenues, offset savings achieved in other cost areas, notably personnel costs.

Group Adjusted EBITDA (AL) was down 1.8% at €326.8mn, resulting in a margin of 38.3%. In Greece, Adjusted EBITDA (AL) rose by 0.9% to €322.0mn, yielding a margin of 40.9%. Romania Mobile operations recorded an Adjusted EBITDA (AL) of €4.8mn, down €8.9mn, reflecting the impact of MVNO service termination, the effect of higher energy costs following the discontinuation of the Romanian state price cap since the beginning of 2023, as well as certain adjustments in operating expenses last year.

Adjusted Capex amounted to €166.7mn, down 0.7% from Q2'22. Excluding TV-related Capex, particularly high in Q2'22 due to the acquisition of Greek football broadcasting rights, Adjusted Capex would be up 15.6%. Capex in Greece and Romania stood at €157.9mn and €8.8mn, respectively.

Group Adjusted Free Cash Flow (AL) reached €147.9mn in Q2'23, down 7.5% year-on-year, while reported Free Cash Flow (AL) stood at €144.0mn, down 8.4% versus Q2'22, mainly reflecting lower EBITDA in Romania.

The Group's Net Debt stood at €390.6mn as of June 30, 2023, down 27.3% compared to 2022. The Group's ratio of Net Debt to 12-month Adjusted EBITDA (AL) stood at 0.3x. The rating agency Standard & Poor's recently raised OTE's long-term rating to "BBB+" with stable outlook.

Revenues (€mn)	Q2'23	Q2'22	Change	6M'23	6M'22	Change
Greece	786.6	768.3	+2.4%	1,522.8	1,511.5	+0.7%
Romania mobile	69.3	78.2	-11.4%	138.3	156.6	-11.7%
Eliminations	(1.8)	(1.7)	+5.9%	(3.4)	(3.0)	+13.3%
OTE GROUP	854.1	844.8	+1.1%	1,657.7	1,665.1	-0.4%



Adjusted EBITDA After

Lease (AL) (€mn)	Q2'23	Q2'22	Change	6M'23	6M'22	Change
Greece	322.0	319.1	+0.9%	640.5	632.7	+1.2%
<i>Margin (%)</i>	<i>40.9%</i>	<i>41.5%</i>	<i>-0.6pp</i>	<i>42.1%</i>	<i>41.9%</i>	<i>+0.2pp</i>
Romania mobile	4.8	13.7	-65.0%	8.3	25.4	-67.3%
<i>Margin (%)</i>	<i>6.9%</i>	<i>17.5%</i>	<i>-10.6pp</i>	<i>6.0%</i>	<i>16.2%</i>	<i>-10.2pp</i>
OTE GROUP	326.8	332.8	-1.8%	648.8	658.1	-1.4%
<i>Margin (%)</i>	<i>38.3%</i>	<i>39.4%</i>	<i>-1.1pp</i>	<i>39.1%</i>	<i>39.5%</i>	<i>-0.4pp</i>

GREECE

Operational Highlights

	Q2'23	Q2'22	y-o-y change	y-o-y diff	Q2'23 net adds
Fixed line access	2,698,609	2,714,096	-0.6%	(15,487)	(2,706)
Broadband subscribers	2,342,376	2,287,003	+2.4%	55,373	9,002
...of which Fiber service	1,514,904	1,415,406	+7.0%	99,498	25,497
.....of which FTTH	193,588	92,254	+109.8%	101,334	27,765
TV subscribers	647,897	641,578	+1.0%	6,319	(634)
Mobile Subscribers	7,373,414	7,322,423	+0.7%	50,991	28,175
<i>Postpaid</i>	3,051,235	2,898,529	+5.3%	152,706	54,000
<i>Prepaid</i>	4,322,179	4,423,894	-2.3%	(101,715)	(25,825)

Fixed Segment

OTE extended its positive performance in the broadband market, continuing to capture the bulk of total broadband market net additions, posting 9k net additions in the quarter, raising the total number of broadband subscribers to 2,342k. Broadband penetration on its total fixed lines further expanded to 87%, up from 84% a year earlier.

Consistent with its strategy, OTE upgrades its offering to subscribers on an ongoing basis through its expanding fiber network. OTE recorded another quarter of year-on-year increase in total fiber subscribers, up 7.0%, with 25k net additions in the quarter. The total number of fiber (FTTx) subscribers stood at 1,515k, while FTTx penetration on the total broadband base further expanded to 64.7%. The share of subscribers using broadband speeds of 100Mbps or higher has now reached 46% of all FTTx connections.

The Company remains focused on its FTTH investment plan—having installed more than 80% of the country's total FTTH lines, it passed nearly 1.1 million homes at the end of June 2023, and plans to reach approximately 1.4 million homes by year end. OTE posted another quarter of strong additions, at 28K, with the total number of FTTH subscribers reaching 194k. Total utilization on homes passed by OTE's infrastructure increased, reaching 19%, compared to 14% one year earlier, reflecting enhanced network availability and effective sales initiatives. Offering and marketing the best-in-class available infrastructure in the country, OTE is succeeding in attracting the majority of customers and protecting its base.

OTE's TV subscriber base reached 648k in the second quarter of 2023, an increase of 1.0% compared to mid-2022, despite competitive challenges and the persistence of piracy. Managing to steadily expand its customer base, backed by premium content, has been key in OTE's strategy.

Mobile Segment

OTE further extended the positive trends of prior quarters, achieving year-on-year growth of 5.3% in its postpaid subscriber base. Its total mobile customer base reached 7.4mn, up 0.7%, at the end of the quarter.

Ongoing customer growth is driven by the Company's competitive advantage in terms of customer loyalty and network superiority. The Company continues to enjoy a strong competitive position in customer satisfaction and network performance surveys. Cosmote's mobile network was once again recognized as "the Fastest Mobile Network in Greece" at the Speedtest Awards™ by Ookla®. Cosmote subscribers enjoy average download speeds more than double those of competing offers. Recognition of Cosmote's network quality, supported by ongoing investments, drives positive customer preferences and revenue growth.

OTE continues to expand its 5G network coverage, now exceeding 85% of the total population, rapidly approaching its 2023 year-end target of 90%. 5G coverage has already reached 97% in Athens, while Thessaloniki and 37 other cities enjoy coverage of 90%, with speeds exceeding 1Gbps in certain areas. While continuing to promote data usage over its superior 4G/4G+/5G network, OTE leverages the growth of data consumption, and its network superiority to strengthen its revenue base.

These attributes have been driving OTE's continuing strong performance in both subscriber numbers and revenues, particularly in the higher ARPU market segments.

New Businesses

The new mobile wallet application, payzy, continues to steadily gain traction in the e-transaction and mobile payment service market, with the total number of users now reaching 135k.

Financial highlights

(€ mn)	Q2'23	Q2'22	Change	6M'23	6M'22	Change
Revenues	786.6	768.3	+2.4%	1,522.8	1,511.5	+0.7%
<i>Retail Fixed Services</i>	227.6	236.3	-3.7%	456.8	475.9	-4.0%
<i>...Including Data Com.</i>	250.7	258.2	-2.9%	501.1	517.7	-3.2%
<i>Mobile Service Revenues</i>	248.3	242.5	+2.4%	483.9	471.8	+2.6%
<i>Wholesale Services</i>	149.0	145.8	+2.2%	273.7	289.5	-5.5%
<i>Other Revenues</i>	161.7	143.7	+12.5%	308.4	274.3	+12.4%
Adjusted EBITDA (AL)	322.0	319.1	+0.9%	640.5	632.7	+1.2%
margin (%)	40.9%	41.5%	-0.6pp	42.1%	41.9%	+0.2pp

Total revenues from Greek operations increased by 2.4% in the quarter to €786.6mn, as strong mobile and ICT performances offset the drop in retail fixed services.

Retail fixed service revenues decreased by 3.7%, mainly due to lower legacy voice revenues. Including revenues from data communications services, retail fixed revenues were down 2.9%, an improvement compared to the trends of recent quarters, as OTE is gradually absorbing the impact of certain market pressures. In broadband, though revenue growth was affected by speed upgrades implemented in 2022 to enhance customer loyalty and bolstering OTE's competitive strengths, trends are gradually improving.

Mobile service revenues posted another quarter of solid increase, up 2.4%. Growth in mobile reflects positive performances in both the postpaid and prepaid segments, as a result of the successful execution of OTE's more-for-more strategy, and ongoing efforts to shift customers to higher-value services. Visitor roaming revenues were up 13% in the quarter.

Wholesale revenues were up 2.2% in Q2, reflecting higher revenues from low-margin international transit traffic, while revenues from other wholesale streams, generally yielding higher EBITDA margins, decreased by approximately 4%.

Other revenues were up 12.5% in the quarter, on strong ICT momentum. Revenues from system solutions were up 26.9%, as the Company leverages its experience and capabilities in network infrastructure, along with innovative and customized IT and cloud solutions.

Total Adjusted EBITDA (AL) in Greece rose 0.9% in the quarter to €322.0mn, yielding a margin of 40.9%, supported by successful cost-containment efforts in several areas. Personnel costs were down 10%, primarily

reflecting the Voluntary Leave scheme implemented in 2022, as well as certain one-off savings related to its 2023 collective labor agreement. Energy costs also declined in the quarter. OTE extended for one year, 2024, its energy-supply agreement and is working to hedge a significant portion of its energy costs for the coming years. The Company also reduced bad-debt provisioning, consistent with the trends observed in 2022.

ROMANIA MOBILE

Operational Data	Q2'23	Q2'22	y-o-y change	y-o-y diff	Q2'23 net
Mobile Subscribers	4,063,395	3,940,571	+3.1%	122,824	941
<i>Postpaid</i>	1,863,583	1,786,909	+4.3%	76,674	6,255
<i>Prepaid</i>	2,199,812	2,153,662	+2.1%	46,150	(5,314)

(€ mn)	Q2'23	Q2'22	Change	6M'23	6M'22	Change
Revenues	69.3	78.2	-11.4%	138.3	156.6	-11.7%
<i>Mobile Service Revenues</i>	46.3	50.5	-8.3%	94.1	102.9	-8.6%
<i>Other Revenues</i>	23.0	27.7	-17.0%	44.2	53.7	-17.7%
Adjusted EBITDA (AL)	4.8	13.7	-65.0%	8.3	25.4	-67.3%
margin (%)	6.9%	17.5%	-10.6pp	6.0%	16.2%	-10.2pp

Total revenues from Telekom Romania Mobile amounted to €69.3mn in the quarter, down 11.4% year on year, mainly reflecting the loss of the contribution from MVNO services to FMC customers and the impact from mobile termination rate (MTR) cuts. Revenues from Romanian operations have also been impacted by certain customer-retention activities in the form of handset subsidies.

Consistent with prior quarters, the total subscriber base continued to grow in the quarter, with postpaid subscribers up 4.3% and prepaid up 2.1%, setting the framework for future improvements.

Adjusted EBITDA (AL) stood at €4.8mn in the quarter, down €8.9mn compared to Q2'22, partly reflecting the MVNO impact, higher energy costs of about €2mn, due to the government's removal of the cap on energy prices, and certain adjustments in operating expenses last year.

SIGNIFICANT EVENTS OF THE QUARTER

Dividend

On June 7, 2023, the Annual General Meeting of Shareholders approved the distribution of a dividend of a total amount of €250mn or €0.5765 per outstanding share. The final dividend of €0.58878 adjusted for own shares outstanding as of the ex-dividend date, was paid out on July 11, 2023.

Share Buyback Program

Since March 2023, OTE has been executing a share buyback program, as part of its 2023 Shareholder Remuneration Policy. The targeted buyback amount, during the period March 1, 2023, to January 19, 2024, is approximately €175 million, including expenses. During the second quarter of 2023, the Company acquired 2,765,512 own shares at an average price of €13.95 per share, while as of June 30, 2023, the Company held a total 9,040,594 own shares, (including the shares cancelled in July).

The Annual Shareholders General Meeting of June 7, 2023, approved the cancellation of 7,417,049 own shares. These shares had been purchased between October 3, 2022, and April 30, 2023, at an average price of €14.69 per share. Following the completion of publicity formalities, were canceled, and delisted from the Athens Stock Exchange effective July 18, 2023.

Repayment of Notes under the Global Medium-Term Note (GMTN) Programme of OTE PLC

On June 8, 2023, OTE PLC fully repaid at maturity the €150.0mn fixed-rate Notes under the Global Medium-Term Note Program of OTE PLC.

Issuance of new bond

On June 20, 2023, OTE PLC issued a €80mn bond due October 2023, with a yield of 3.701% per annum, fully subscribed by Deutsche Telekom AG. The proceeds were used for the partial refinancing of the €150mn OTE PLC bond that matured on June 8, 2023.

SUBSEQUENT EVENTS

Standard & Poor's upgrades OTE to "BBB+" with stable outlook

On July 19, 2023, the rating agency Standard & Poor's raised OTE's long-term rating from BBB to BBB+ with stable outlook. According to the rating agency, OTE's upgrade follows i) the recent upgrade of OTE's parent Deutsche Telekom to BBB+ and ii) OTE's robust financial metrics, including solid balance sheet and resilient cash flow generation. In addition, the Hellenic Republic's recent outlook revision to positive and the confirmation of its BB+ rating underscore the ongoing improvements in OTE's economic environment.

Merger of Cosmote within OTE

On July 13, 2023, the Boards of Directors of OTE and COSMOTE decided the initiation of the merger procedure through absorption of OTE's 100% subsidiary "COSMOTE – MOBILE TELECOMMUNICATIONS SINGLE MEMBER SOCIETE ANONYME" ("COSMOTE"). The absorption is not expected to have any impact on Group consolidated financials as COSMOTE is fully consolidated in Group Financial Statements. The process is expected to be completed in January 2024.



About OTE

OTE Group is the largest telecommunications provider in the Greek market and offers mobile telecommunications services in 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 activities, the Group is also involved in electronic payments, delivery services, maritime communications, real estate, insurance distribution and professional training.

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

Conference Call Details

Thursday, August 3, 2023

5:00pm (EEST), 3:00pm (BST), 4:00pm (CEST), 10:00am (EDT)

Greece	+30 210 9460 800
Germany	+49 (0) 69 2222 4493
UK & International	+ 44 (0) 203 059 5872
USA	+1 516 447 5632

We recommend that you call any of the above numbers 5 to 10 minutes before the conference call is scheduled to start.

Webcast Details

The conference call will be webcast and you may join by linking at:

<https://87399.themediaframe.eu/links/otegroup230803.html>

If you experience difficulty, please call + 30 210 9460803.

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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 Statement of Financial Position as of June 30, 2023 and December 31, 2022
- III. Consolidated Income Statement for the quarter and six months ended June 30, 2023 and comparative 2022
- IV. Group Revenues for the quarter and six months ended June 30, 2023 and comparative 2022
- V. Consolidated Statement of Cash Flows for the quarter and six months ended June 30, 2023 and comparative 2022

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. APMs provide additional insights and understanding to the Group's underlying performance, financial condition and cash flow. APMs and the respective adjusted measures are calculated by using the directly reconcilable amounts from Financial Statements of the Group and the below items as well, that due to their nature impacting comparability. As these costs or payments are of significant size and of irregular timing, it is a common industry practice to be excluded for the calculation of the APMs and the adjusted figures in order to facilitate comparability with industry peers and facilitate the user to obtain a better understanding of the Group's performance achieved from ongoing activity. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

1. 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", respectively.

2. Costs or payments related to other restructuring plans

Other restructuring costs comprise non-ongoing activity related costs arising from significant changes in the way the Group conducts business. These costs are mainly related to the Group's portfolio management restructuring.

3. 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.

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

Net Debt

Net Debt is used 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 plus other financial liabilities less cash and cash equivalents. Following the adoption of IFRS 16 financial liabilities related to leases are included in the calculation of net debt from 2019 onwards.

OTE Group (€ mn)	30/06/2023	30/06/2022
Long-term borrowings	870.4	742.6
Short-term portion of long-term borrowings	23.1	397.6
Short-term borrowings	80.0	150.0
Lease liabilities (long-term portion)	171.7	177.6
Lease liabilities (short-term portion)	63.5	70.7
Financial liabilities related to wallets	3.0	0.0
Cash and cash equivalents	(821.1)	(1,001.1)
Net Debt	390.6	537.4

EBITDA - Adjusted EBITDA - Adjusted EBITDA After Lease (AL)

- EBITDA is derived directly from the Financial Statements of the Group, line "Operating profit before financial and investing activities, depreciation, amortization and impairment" of the Income Statement. EBITDA is defined as total revenues plus other operating income less total operating expenses before depreciation, amortization and impairment. EBITDA is intended to provide useful information to analyze the Group's operating performance.
- Adjusted EBITDA is calculated by excluding the impact of [costs related to voluntary leave schemes](#) and [other restructuring costs](#).

- Adjusted EBITDA After Lease (AL): Following the adoption of IFRS 16 related to leases, it is a common industry practice to use the EBITDA After Lease (AL) or Adjusted EBITDA After Lease (AL) in order to facilitate comparability with industry peers and historical comparison as well. Adjusted EBITDA (AL) is defined as Adjusted EBITDA deducting the depreciation and interest expense related to leases. EBITDA, Adjusted EBITDA and Adjusted EBITDA (AL) margin (%) is defined as the respective EBITDA divided by total revenues.

Quarterly (€ mn)	OTE GROUP		GREECE		ROMANIA	
	Q2'23	Q2'22	Q2'23	Q2'22	Q2'23	Q2'22
Revenues	854.1	844.8	786.6	768.3	69.3	78.2
Other Operating Income	2.3	1.6	1.3	1.5	1.0	0.1
Total Operating Expenses (ex-Depreciation, amortization and impairment)	(534.1)	(526.0)	(478.1)	(468.1)	(57.8)	(59.6)
EBITDA	322.3	320.4	309.8	301.7	12.5	18.7
margin %	37.7%	37.9%	39.4%	39.3%	18.0%	23.9%
Costs related to voluntary leave schemes	26	32.6	25.6	32.5	0.4	0.1
Other restructuring costs	0.8	0.4	-	-	0.8	0.4
Adjusted EBITDA	349.1	353.4	335.4	334.2	13.7	19.2
margin %	40.9%	41.8%	42.6%	43.5%	19.8%	24.6%
Depreciation of lessee use rights to leased assets	(20.1)	(18.4)	(11.8)	(13.4)	(8.3)	(5.0)
Interest expense on leases	(2.2)	(2.2)	(1.6)	(1.7)	(0.6)	(0.5)
Adjusted EBITDA (AL)	326.8	332.8	322.0	319.1	4.8	13.7
margin %	38.3%	39.4%	40.9%	41.5%	6.9%	17.5%

6Months (€ mn)	OTE GROUP		GREECE		ROMANIA	
	6M'23	6M'22	6M'23	6M'22	6M'23	6M'22
Revenues	1,657.7	1,665.1	1,522.8	1,511.5	138.3	156.6
Other Operating Income	4.2	6.7	2.9	5.8	1.3	0.9
Total Operating Expenses (ex-Depreciation, amortization and impairment)	(997.7)	(1,005.3)	(882.7)	(886.9)	(118.4)	(121.4)
EBITDA	664.2	666.5	643.0	630.4	21.2	36.1
margin %	40.1%	40.0%	42.2%	41.7%	15.3%	23.1%
Costs related to voluntary leave schemes	26.6	32.7	26.2	32.5	0.4	0.2
Other restructuring costs	0.8	0.4	-	-	0.8	0.4
Adjusted EBITDA	691.6	699.6	669.2	662.9	22.4	36.7
margin %	41.7%	42.0%	43.9%	43.9%	16.2%	23.4%
Depreciation of lessee use rights to leased assets	(38.3)	(37.1)	(25.3)	(26.7)	(13.0)	(10.4)
Interest expense on leases	(4.5)	(4.4)	(3.4)	(3.5)	(1.1)	(0.9)
Adjusted EBITDA (AL)	648.8	658.1	640.5	632.7	8.3	25.4
margin %	39.1%	39.5%	42.1%	41.9%	6.0%	16.2%

Capital expenditure (Capex) and Adjusted Capex

Capital expenditure is derived directly from the Financial Statements of the Group, line "Purchase of property, plant and equipment and intangible assets" of the Cash Flow Statement. The Group uses Capex to ensure that the cash spending is in line with its overall strategy for the use of cash. Adjusted Capex is defined as Capex excluding [spectrum payments](#).

OTE Group (€ mn)	Q2'23	Q2'22	6M'23	6M'22
Purchase of property plant and equipment and intangible assets - Capex	(166.7)	(169.0)	(246.6)	(262.0)
Spectrum Payments	-	1.2	-	1.2
Adjusted CAPEX	(166.7)	(167.8)	(246.6)	(260.8)

Free Cash Flow (FCF)- Free Cash Flow After Lease (AL) – Adjusted FCF After Lease (AL)

- Free Cash Flow is defined as net cash flows from operating activities, after payments for purchase of property plant and equipment and intangible assets (Capex) and adding the interest received. Free Cash Flow After Lease (AL) is defined as Free Cash Flow after lease repayments.
- Adjusted FCF After Lease (AL) facilitates comparability of Cash Flow generation with industry peers and discussions with the investment analyst community and debt rating agencies. It is calculated by excluding from the Free Cash Flow After Lease (AL) [spectrum payments, payments for voluntary leave schemes and payments for other restructuring costs](#).

FCF After Lease (AL) and Adjusted FCF After Lease (AL) are intended to measure the cash generation from the Group's business activities while facilitate the understanding the Group's cash generating performance as well as availability for debt repayment, dividend distribution and own reserves.

OTE Group (€ mn)	Q2'23	Q2'22	6M'23	6M'22
Net cash flows from operating activities	331.2	344.3	654.3	679.8
Purchase of property, plant, equipment & intangible assets	(166.7)	(169.0)	(246.6)	(262.0)
Interest received	3.3	0.5	5.3	0.9
Free Cash Flow	167.8	175.8	413.0	418.7
Lease repayments	(23.8)	(18.6)	(42.9)	(39.7)
Free Cash Flow After Lease (AL)	144.0	157.2	370.1	379.0
Payment for voluntary leave schemes	2.9	1.0	5.0	2.4
Payment for other restructuring costs	1.0	0.5	1.6	5.1
Spectrum payments	-	1.2	-	1.2
Adjusted Free Cash Flow After Lease (AL)	147.9	159.9	376.7	387.7

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. For the respective period of 2023 and the comparable period of 2022, Profit to owners of the parent was impacted by costs related to voluntary leave schemes and other restructuring costs.

After Tax impact (€ mn)	Q2'23	Q2'22	6M'23	6M'22
Profit to owners of the Parent (reported)	111.9	106.8	247.2	236.2
Costs related to voluntary leave schemes	20.3	25.4	20.8	25.5
Other restructuring costs	0.8	0.3	0.8	0.3
Adjusted Profit to owners of the parent	133.0	132.5	268.8	262.0

II. GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in € mn	30/06/2023	31/12/2022
ASSETS		
Non - current assets		
Property, plant and equipment	2,135.0	2,081.1
Right-of-use assets	245.0	266.6
Goodwill	376.6	376.6
Telecommunication licenses	280.1	296.1
Other intangible assets	298.2	335.1
Investments	0.1	0.1
Loans to pension funds	62.7	64.7
Deferred tax assets	183.3	178.2
Contract costs	30.6	30.2
Other non-current assets	74.0	75.3
Total non - current assets	3,685.6	3,704.0
Current assets		
Inventories	52.8	54.0
Trade receivables	509.6	471.2
Other financial assets	5.5	4.8
Contract assets	57.7	49.6
Other current assets	125.4	123.7
Restricted Cash	1.9	1.8
Cash and cash equivalents	821.1	590.1
Total current assets	1,574.0	1,295.2
TOTAL ASSETS	5,259.6	4,999.2

Amounts in € mn	30/06/2023	31/12/2022
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	1,227.3	1,227.3
Share premium	439.0	438.9
Treasury shares	(132.7)	(73.5)
Statutory reserve	440.7	440.7
Foreign exchange and other reserves	(141.5)	(138.8)
Changes in non-controlling interests	(3,314.1)	(3,314.1)
Retained earnings	3,265.1	3,267.9
Total equity attributable to owners of the Parent	1,783.8	1,848.4
Non-controlling interests	0.5	0.5
Total equity	1,784.3	1,848.9
Non-current liabilities		
Long-term borrowings	870.4	881.5
Provision for staff retirement indemnities	91.3	96.7
Provision for youth account	79.4	86.1
Contract liabilities	40.5	40.8
Lease liabilities	171.7	182.1
Deferred tax liabilities	0.3	0.4
Other non – current liabilities	41.4	55.7
Total non – current liabilities	1,295.0	1,343.3
Current liabilities		
Trade accounts payable	874.8	874.0
Short-term borrowings	80.0	150.0
Short-term portion of long-term borrowings	23.1	23.1
Income tax payable	187.4	92.3
Contract liabilities	155.8	136.1
Lease liabilities	63.5	76.1
Dividends payable	252.2	2.4
Other current liabilities	543.5	453.0
Total current liabilities	2,180.3	1,807.0
TOTAL EQUITY AND LIABILITIES	5,259.6	4,999.2

III. GROUP CONSOLIDATED INCOME STATEMENT

Amounts in € mn	Q2'23	Q2'22	+/- %	6M'23	6M'22	+/- %
Total revenues	854.1	844.8	+1.1%	1,657.7	1,665.1	-0.4%
Other operating income	2.3	1.6	+43.8%	4.2	6.7	-37.3%
Operating expenses						
Interconnection and roaming costs	(113.4)	(109.1)	+3.9%	(199.8)	(214.8)	-7.0%
Provision for expected credit losses	(9.9)	(13.1)	-24.4%	(18.9)	(26.1)	-27.6%
Personnel costs	(108.3)	(119.7)	-9.5%	(218.1)	(232.8)	-6.3%
Costs related to voluntary leave schemes	(26.0)	(32.6)	-20.2%	(26.6)	(32.7)	-18.7%
Commission costs	(21.8)	(20.9)	+4.3%	(42.8)	(40.7)	+5.2%
Merchandise costs	(78.1)	(79.2)	-1.4%	(157.7)	(153.6)	+2.7%
Maintenance and repairs	(21.1)	(18.9)	+11.6%	(39.3)	(39.2)	+0.3%
Marketing	(16.1)	(17.4)	-7.5%	(30.3)	(29.9)	+1.3%
Other operating expenses	(139.4)	(115.1)	+21.1%	(264.2)	(235.5)	+12.2%
Total operating expenses before depreciation, amortization and impairment	(534.1)	(526.0)	+1.5%	(997.7)	(1,005.3)	-0.8%
Operating profit before financial and investing activities, depreciation, amortization and impairment	322.3	320.4	+0.6%	664.2	666.5	-0.3%
Depreciation, amortization and impairment	(171.1)	(169.9)	+0.7%	(331.8)	(336.8)	-1.5%
Operating profit before financial and investing activities	151.2	150.5	+0.5%	332.4	329.7	+0.8%
Income and expense from financial and investing activities						
Interest and related expenses	(8.6)	(8.7)	-1.1%	(16.5)	(16.9)	-2.4%
Interest income	3.3	0.5	-	5.3	0.9	-
Foreign exchange differences, net	1.7	2.1	-19.0%	1.9	2.5	-24.0%
Gains / (losses) from investments and other financial assets - Impairment	0.4	(0.3)	-	0.6	(0.3)	-
Total loss from financial and investing activities	(3.2)	(6.4)	-50.0%	(8.7)	(13.8)	-37.0%
Profit before tax	148.0	144.1	+2.7%	323.7	315.9	+2.5%
Income tax	(36.1)	(37.3)	-3.2%	(76.5)	(79.6)	-3.9%
Profit for the period	111.9	106.8	4.8%	247.2	236.3	+4.6%
Attributable to:						
Owners of the parent	111.9	106.8	+4.8%	247.2	236.2	+4.7%
Non-controlling interests	-	-	-	-	0.1	-

IV. GROUP REVENUES

Amounts in € mn	Q2'23	Q2'22	%	6M'23	6M'22	%
Fixed business:						
Retail services revenues	227.6	236.3	-3.7%	456.8	475.9	-4.0%
Wholesale services revenues	148.9	145.9	+2.1%	273.7	289.5	-5.5%
Other revenues	86.1	72.9	+18.1%	160.8	139.7	+15.1%
Total revenues from fixed business	462.6	455.1	+1.6%	891.3	905.1	-1.5%
Mobile business:						
Service revenues	294.5	292.8	+0.6%	577.8	574.5	+0.6%
Handset revenues	68.1	66.2	+2.9%	134.1	124.0	+8.1%
Other revenues	4.0	8.4	-52.4%	7.7	19.2	-59.9%
Total revenues from mobile business	366.6	367.4	-0.2%	719.6	717.7	+0.3%
Miscellaneous other revenues	24.9	22.3	+11.7%	46.8	42.3	+10.6%
Total revenues	854.1	844.8	+1.1%	1,657.7	1,665.1	-0.4%

V. GROUP CONSOLIDATED STATEMENT OF CASH FLOW

Amounts in € mn	Q2'23	Q2'22	%	6M'23	6M'22	%
Cash flows from operating activities						
Profit before tax	148.0	144.1	+2.7%	323.7	315.9	+2.5%
Adjustments for:						
Depreciation, amortization and impairment	171.1	169.9	+0.7%	331.8	336.8	-1.5%
Costs related to voluntary leave schemes	26.0	32.6	-20.2%	26.6	32.7	-18.7%
Provision for staff retirement indemnities	0.4	1.0	-60.0%	(3.8)	2.0	-
Provision for youth account	(2.6)	0.3	-	(2.4)	0.6	-
Foreign exchange differences, net	(1.7)	(2.1)	-19.0%	(1.9)	(2.5)	-24.0%
Interest income	(3.3)	(0.5)	-	(5.3)	(0.9)	-
(Gains) / losses from investments and other financial assets- Impairment	(0.4)	0.3	-	(0.6)	0.3	-
Interest and related expenses	8.6	8.7	-1.1%	16.5	16.9	-2.4%
Working capital adjustments:	(1.4)	1.3	-	(22.1)	(1.8)	-
Decrease / (increase) in inventories	6.9	0.2	-	1.2	(7.8)	-115.4%
Decrease / (increase) in receivables	(37.6)	(27.0)	+39.3%	(47.4)	(18.6)	+154.8%
(Decrease) / increase in liabilities (except borrowings)	29.3	28.1	+4.3%	24.1	24.6	-2.0%
Payment for voluntary leave schemes	(2.9)	(1.0)	+190.0%	(5.0)	(2.4)	+108.3%
Payment of staff retirement indemnities and youth account, net of employees' contributions	(2.8)	(2.1)	+33.3%	(4.6)	(4.1)	+12.2%
Interest and related expenses paid (except leases)	(4.5)	(3.1)	+45.2%	(8.6)	(6.3)	+36.5%
Interest paid for leases	(2.2)	(2.2)	0.0%	(4.5)	(4.4)	+2.3%
Income tax (paid) /received	(1.1)	(2.9)	-62.1%	14.5	(3.0)	-
Net cash flows from operating activities	331.2	344.3	-3.8%	654.3	679.8	-3.8%
Cash flows from investing activities						
Sale or maturity of financial assets	-	-	-	-	0.7	-100.0%
Purchase of financial assets	(0.1)	(0.3)	-66.7%	(0.7)	(0.4)	+75.0%
Payments related to disposal of subsidiaries/ investments	-	(0.4)	-100.0%	-	(0.4)	-100.0%
Repayment of loans receivable	1.8	1.8	0.0%	3.6	3.6	0.0%
Purchase of property, plant and equipment and intangible assets	(166.7)	(169.0)	-1.4%	(246.6)	(262.0)	-5.9%
Movement in restricted cash	(0.1)	0.1	-	(0.1)	0.1	-
Interest received	3.3	0.5	-	5.3	0.9	-
Net cash flows used in investing activities	(161.8)	(167.3)	-3.3%	(238.5)	(257.5)	-7.4%
Cash flows from financing activities						
Acquisition of treasury shares	(39.1)	(79.6)	-50.9%	(59.1)	(150.7)	-60.8%
Proceeds from loans granted and issued	80.0	150.0	-46.7%	80.0	150.0	-46.7%
Repayment of loans	(150.0)	-	-	(161.5)	(11.5)	-
Lease repayments	(23.8)	(18.6)	+28.0%	(42.9)	(39.7)	+8.1%
Financial liabilities related to wallets	0.5	-	-	(1.0)	-	-
Dividends paid to Company's owners	(0.2)	-	-	(0.2)	(0.1)	+100.0%
Net cash flows used in financing activities	(132.6)	51.8	-	(184.7)	(52.0)	-
Net increase in cash & cash equivalents	36.8	228.8	-83.9%	231.1	370.3	-37.6%
Cash and cash equivalents, at the beginning of the period	784.3	772.3	+1.6%	590.1	630.7	-6.4%
Net foreign exchange differences	-	-	-	(0.1)	0.1	-200.0%
Cash and cash equivalents, at the end of the period	821.1	1,001.1	-18.0%	821.1	1,001.1	-18.0%