



HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

AR.MAE 347/06/B86/10

REGISTERED OFFICE: 99 KIFFISIAS AVE - 15124 MAROUSI, ATHENS

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM JANUARY 1, 2010 TO DECEMBER 31, 2010

(Published in accordance with law 2190/1920, art.135 for Companies preparing annual consolidated and separate financial statements, in accordance with I.F.R.S.)

The purpose of the following information and financial data is to provide users with general financial information about the financial position and the results of operations of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A ("Company") and the OTE Group ("Group"). Therefore, we recommend the users of the financial data and information, before making any investment decision or proceeding to any transaction with the Group or the Company, to obtain the necessary information from the website, where the consolidated and separate financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the E.U., are available, together with the auditors' report, when required.

Supervising Authority : Ministry of Development, Societe Anonyme and Credit Division

Company's Web Site : www.ote.gr

Date of approval of financial statements from the Board of Directors: February 24, 2011

The Certified Auditors : Chris Pelendridis RN ICA(GR): 17831- George Anastopoulos RN ICA(GR): 15451

Auditing Company : ERNST & YOUNG (HELLAS) Certified Auditors Accountants S.A. SOEL REG: No 107

Type of Auditor's Opinion : Unqualified

Composition of the Board of Directors:

1. Michael Tsamaz, Chairman and Managing Director, Executive Member
2. Dimitrios Tzouganatos, Vice-Chairman, Independent Non-Executive Member
3. Kevin Copp, Executive Member
4. Guido Kerkhoff, Non - Executive Member
5. Rainer Martin Maximilian Rathgeber, Non - Executive Member
6. Eustathios Anestis, Non - Executive Member
7. Nikolaos Karamouzis, Non - Executive Member
8. Michael Bletsas, Independent, Non - Executive Member
9. Panagiotis Tabourlos, Independent, Non - Executive Member
10. Vasileios Furlis, Independent, Non - Executive Member

DATA FROM STATEMENT OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)					DATA FROM STATEMENT OF CASH FLOWS (CONSOLIDATED AND SEPARATE)				
Amounts in millions of Euro					Amounts in millions of Euro				
	GROUP		COMPANY			GROUP		COMPANY	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009		01.01-31.12.2010	01.01-31.12.2009	01.01-31.12.2010	01.01-31.12.2009
ASSETS					Cash flows from operating activities				
Property, plant and equipment	5,061.9	5,596.2	1,864.0	2,026.7	Profit before tax	99.9	790.0	152.4	420.3
Intangible assets	1,359.8	1,465.9	2.1	2.5	Adjustments for:				
Other non current assets	697.8	717.5	5,220.2	5,219.3	Depreciation, amortization and impairment	1,363.0	1,155.3	374.2	424.4
Inventories	160.8	229.1	27.9	31.1	Share-based payment	5.5	7.2	2.4	2.9
Trade receivables	1,010.8	1,153.0	534.8	608.0	Cost of early retirement program	171.5	(30.3)	144.7	(38.9)
Other current assets	242.4	291.0	110.7	125.0	Provisions for staff retirement indemnities and youth account	38.8	53.4	35.2	51.0
Cash and cash equivalents	1,004.3	868.8	189.0	224.0	Provisions for doubtful accounts	125.6	107.0	25.9	28.0
TOTAL ASSETS	9,537.8	10,321.5	7,948.7	8,236.6	Other provisions	(3.4)	-	(4.3)	-
EQUITY AND LIABILITIES					Foreign exchange differences, net				
Share capital	1,171.5	1,171.5	1,171.5	1,171.5	Interest income	(25.7)	(61.6)	(8.4)	(17.4)
Other equity items	(71.9)	(45.1)	2,198.9	2,176.3	Dividend income	(14.2)	(9.6)	(206.1)	(312.1)
Equity attributable to shareholders of the parent (a)	1,099.6	1,126.4	3,370.4	3,347.8	(Gains) / losses and impairments of investments	4.6	(23.6)	4.7	0.8
Non-controlling interests (b)	553.0	757.7	-	-	Release of EDEKT fund prepayment	35.2	35.2	35.2	35.2
Total equity (c) = (a) + (b)	1,652.6	1,884.1	3,370.4	3,347.8	Interest expense	308.2	358.0	199.1	256.8
Long-term borrowings	3,211.4	5,385.7	1,715.4	2,930.1	Working capital adjustments:				
Provisions / Other non current liabilities	747.7	973.4	626.4	800.6	Decrease / (increase) in inventories	68.3	(27.3)	3.2	1.1
Short-term borrowings	2,088.4	36.2	1,119.1	-	Decrease / (increase) in accounts receivable	32.9	(75.7)	12.9	39.9
Other current liabilities	1,837.7	2,042.1	1,117.4	1,158.1	(Decrease) in liabilities (except borrowings)	(212.3)	(72.1)	(36.5)	(92.0)
Total liabilities (d)	7,885.2	8,437.4	4,578.3	4,888.8	Plus/ (Minus):				
TOTAL EQUITY AND LIABILITIES (c) + (d)	9,537.8	10,321.5	7,948.7	8,236.6	Payment of early retirement programs	(205.0)	(130.3)	(178.2)	(121.7)
DATA FROM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED AND SEPARATE)					Payment of staff retirement indemnities and youth account, net of employees' contributions				
Amounts in millions of Euro					Interest and related expenses paid				
					Income taxes paid				
					Settlement of receivables due from disposed subsidiaries				
					Net cash flows from operating activities (a)				
Total revenue	5,482.8	5,958.9	2,169.8	2,412.4	Cash flows from investing activities				
Profit before taxes, investment and financial activities	384.9	1,043.0	142.2	345.7	Acquisition of non-controlling interest				
Profit before tax	99.9	790.0	152.4	420.3	(7.9)				
Profit / (loss) after tax (A)	(139.0)	407.6	60.9	283.6	Acquisition of subsidiary net of cash acquired				
Attributable to:					(2.0)				
- Owners of the parent	39.6	410.9	60.9	283.6	Purchase of financial assets				
- Non controlling interests	(178.6)	(3.3)	-	-	(69.8)				
Other comprehensive income / (loss) after tax (B)	1.2	(186.3)	42.8	(7.5)	Sale or maturity of financial assets				
Total comprehensive income / (loss) after tax (A)+(B)	(137.8)	221.3	103.7	276.1	Loans granted				
Attributable to:					(30.0)				
- Owners of the parent	54.3	272.8	103.7	276.1	Repayments of loans receivable				
- Non controlling interests	(192.1)	(51.5)	-	-	Loans proceeds in conjunction with disposal of subsidiaries				
Basic earnings per share (in €)	0.0808	0.8383			Purchase of property, plant and equipment and intangible assets				
Proposed dividend per share (in €)			Not available	0.19	Proceeds from disposal of subsidiaries				
Profit before taxes, investment, financial activities and depreciation, amortization and impairment	1,747.9	2,198.3	516.4	770.1	Interest received				
DATA FROM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED AND SEPARATE)					Dividends received				
Amounts in millions of Euro					Return of capital invested in subsidiary				
					Settlement of other current liabilities				
					Net cash flows from / (used in) investing activities (b)				
					Cash flows from financing activities				
					Proceeds from short-term borrowings				
					Repayment of loans				
					Dividends paid to Company's owners				
					Dividends paid to non-controlling interests				
					Net cash flows from / (used in) financing activities (c)				
					Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)				
					Cash and cash equivalents at the beginning of the year				
					Net foreign exchange differences				
					Cash and cash equivalents classified as held for sale/dropped of				
					Cash and cash equivalents at the end of the year				

ADDITIONAL DATA AND INFORMATION

- 1) The companies which are included in the annual financial statements (consolidated and separate), their country, the Group's participating interest (direct and indirect) and the method of consolidation, are presented in Notes 1 and 8 of the financial statements.
- 2) The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries and the results of the tax audits completed, are presented in Note 21 of the financial statements.
- 3) The event relating to acquisitions and disposals for the Group and the Company that occurred during 2010 is presented below:
In July 2010, COSMOTE acquired a further 2.18% of AMC for an amount of approximately Euro 7.9 million. As a result of the above transaction, as of December 31, 2010, COSMOTE holds directly a 14.76% stake in AMC's share capital, and directly or indirectly 97.21% of AMC.
- 4) The outcome of pending litigation and claims is not expected to have a material impact on the financial statements. The amount of provisions that have been established as of December 31, 2010 for litigations and other risks, as well as for unaudited tax years are as follows: a) for the Group € 92.3 million and € 23.4 million respectively and b) for the Company € 91.3 million and € 12.0 million respectively.
- 5) Number of employees at the end of the year: Group 31,088 (31.12.2009: 32,864), Company 10,925 (31.12.2009: 11,369).
- 6) Other comprehensive income / (loss) after tax for the year 2010 which was recognized directly in equity for the Group, relates to foreign currency translation € (45.4) million, actuarial gains € 44.8 million (net of deferred taxes), net movement of available for sale investments € (5.0) million and the impact of cash flow hedge € 6.8 million. As for the Company, it relates to actuarial losses € 47.6 million (net of deferred taxes) and the net movement of available for sale securities € (4.8) million.
- 7) Effective February 6, 2009, the financial statements are included in the consolidated financial statements of DEUTSCHE TELEKOM AG (full consolidation method), which has its registered office in Germany and holds a 30.00% plus one share interest in OTE as of December 31, 2010.
- 8) The Company's transactions with its related parties as defined in IAS 24, are analyzed as follows: Sales and purchases of goods and services for the year 2010, amounted to € 190.9 million and € 310.6 million, respectively. Interest expense for the year 2010 amounted to € 161.0 million. The outstanding balance of receivables and payables from/to related parties as of December 31, 2010 derived from current transactions amounted to € 128.7 million and € 195.4 million, respectively. The outstanding balance of payables to related parties from the loans granted amounted to € 2,938.0 million. Fees paid to the members of the Board of Directors of the Company and the Company's key management personnel compensation charged to the Income Statement for the year 2010, amount to € 4.3 million. Based on OTE's share option plan, until December 31, 2010, 2,462,489 stock options have been granted to key management personnel. At Group level sales and purchases of goods and services, between related parties which are not eliminated, or the year 2010 amounted to € 23.5 million and € 14.2 million, respectively. The outstanding balance of receivables and payables, between related parties which are not eliminated, as of December 31, 2010 derived from operating transactions amounted to € 7.0 million and € 12.7 million, respectively.
- 9) Basic earnings per share were calculated based on the weighted average number of shares outstanding.
- 10) Effective January 1, 2010 OTE changed its accounting policy concerning provisions for pensions and other employee benefits and adopted the third option available under IAS 19.93A, which allows for actuarial gains and losses to be recognized directly in equity. The corresponding prior-year comparatives have been adjusted accordingly. In addition interest cost arising from the benefit plans are classified in "interest expense" rather than in "provision for staff retirement indemnities and youth account" as this better reflects the nature of that component of pension cost. The impact of the change in accounting policy is presented in Note 32 of the financial statements. In June 2010 the valuation of the net assets of ZAPP, which has been acquired on October 31, 2009 was completed. The impact of the adjustment due to the finalization of the purchase price allocation of ZAPP is presented in Note 8 of the financial statements.
- 11) OTE's Board of Directors has not yet decided on the proposed dividend distribution from the 2010 profits.
- 12) The most significant events that have occurred after December 31, 2010 are presented in the Note 33 of the financial statements.

Athens, February 24, 2011

CHAIRMAN AND MANAGING DIRECTOR

BOARD MEMBER AND GROUP
CHIEF FINANCIAL OFFICER

OTE CHIEF FINANCIAL OFFICER

CHIEF ACCOUNTING OFFICER

MICHAEL TSAMAZ
I.D. Number AB 516212

KEVIN COPP
I.D. Number 446059212

GEORGE MAVRAKIS
I.D. Number T 004893

KONSTANTINOS VASILOPOULOS
I.D. Number Π 529399
License Number 032033