



OTE GROUP REPORTS 2013 FIRST QUARTER RESULTS **UNDER IFRS**

- **Net income at €167.5mn, up 5% excl. capital gains**
- **Adjusted Net operating cash flow up 7% to €261mn**
 - **Further reduction in net debt, at 1.7x trailing 12M EBITDA**
- **EBITDA margin stable at 35.4%**
- **Total operating expenses excl. D&A and VRS charges down 10.6% on 21% drop in Greek fixed-line payroll**
- **Revenues impacted by sharp drop in mobile on MTR cuts and aggressive competitive moves in Greece**
 - **Greek fixed-line resilient - limited line drop and strong TV, broadband performance**

ATHENS, Greece – May 8, 2013 - 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 quarter ended March 31, 2013:

(€ mn)	Q1 '13	*Q1 '12	% Change
Revenues	1,045.4	1,180.2	-11.4%
EBITDA	368.0	419.4	-12.3%
as % of Revenues	35.2%	35.5%	-0.3pp
Pro forma** EBITDA	369.8	419.4	-11.8%
as % of Revenues	35.4%	35.5%	-0.1pp
Net Income/(loss)	167.5	308.1	-45.6%
Basic EPS (€)	0.3417	0.6286	-45.6%
Adj. Net Operating Cash Flow ***	260.9	243.3	+7.2%
Adj. CAPEX ***	102.8	117.5	-12.5%
Adj. Free Cash Flow***	158.1	125.8	+25.7%

* Adjusted due to amended IAS 19 "Employee benefits"

** Excluding impact of Voluntary Retirement Programs and Restructuring Plans

*** Excluding Voluntary Exit Programs and/or Spectrum payments

Commenting on OTE's performance in the first quarter, Michael Tsamaz, Chairman & CEO, noted: "Thanks to the cost-cutting measures of the past years, and in particular our headcount reduction in Greek fixed-line through effective voluntary exit schemes, we have preserved our profitability in the quarter. At the top line, as we had anticipated, our revenues this quarter reflected the impact of mobile termination rate cuts, tough economic conditions and aggressive competition. We confronted these circumstances with determination, defending our positions with all the means at our disposal. Product innovation and marketing savvy enabled us to contain revenue loss, and we estimate that we are continuing to outperform our markets. We are particularly pleased with the turnaround of our Greek fixed-line operations, more and more evident quarter after quarter."

Mr. Tsamaz added: "Significant cash flow generation has yielded a further reduction in debt. While optimizing return for OTE shareholders, the proposed disposal of Globul announced in late April will further reduce the Group's debt and ensure its long-term sustainability regardless of the environment. Following this transaction, we will have cut down our net debt by more than half, or €2.3 billion, from its level at the beginning of 2011. In the coming quarters, we do not expect a material improvement in our operating conditions, but will continue to make the decisions required to strengthen our market positioning, improve our financial structure and maintain our profitability."

FINANCIAL HIGHLIGHTS

BREAKDOWN OF GROUP REVENUES

(€ mn)	Q1 '13	Q1 '12	% Change
Fixed Line Operations, Greece	389.1	441.2	-11.8%
Fixed Line Operations, Romania	145.5	160.2	-9.2%
Mobile Operations, Greece	309.2	377.0	-18.0%
Mobile Operations, International	208.2	234.0	-11.0%
Others	94.4	106.7	-11.5%
Intragroup Eliminations	(101.0)	(138.9)	-27.3%
TOTAL	1,045.4	1,180.2	-11.4%
Other income/ (expense), net	5.6	1.0	-

The Group's total revenues dropped by 11.4% in Q1'13, as the difficult economic environment in Greece once again weighed on OTE's performance. The severe impact on both fixed and mobile segments of the mobile termination rate (MTR) cuts implemented in most of the countries in which OTE operates accounts for the worsening of the revenue decline compared to the prior quarter (Q4'12:-9.1%). In mobile operations, nearly 60% of the revenue shortfall compared to Q1'12 is due to MTR cuts.

In Greek fixed-line operations, continued robust take-up of OTE's attractive double-play offers launched last May led to a further improvement in operating momentum in Q1'13. Despite aggressive competitive offers, OTE was able to contain line losses, and achieved healthy ADSL take-up and TV subscription growth. OTE's new VDSL offering, launched in November, had already attracted approximately 20,000 subscribers by March 31.

In the Romanian fixed-line business, revenues declined by 9.2% in Q1'13, as a result of the sharp decline in wholesale revenues (-24.0%), that followed the recent termination rate cut imposed by the Romanian regulatory authority.

In Greek mobile, the drop in Cosmote revenues during the quarter reflects the steep MTR reductions, the difficult economic climate and heightened competition.

In international mobile telephony operations, the Q1'13 revenue declines in Bulgaria and Romania were entirely due to severe termination rate cuts. In Albania, top-line performance also suffered by aggressive pricing offers.

Total Operating Expenses, excluding depreciation, amortization, impairments and charges related to voluntary retirement programs, amounted to €681.2mn in Q1'13, down 10.6% from €761.8mn in Q1'12. This dramatic improvement is a direct result of OTE Group's active cost-reduction measures over the past years. Compared to Q1'12, Personnel Expenses were down 11.9% at Group level and 21.0% in Greek fixed-line operations.

As it managed once again to steeply reduce costs during the period, the Group achieved a pro forma EBITDA margin of 35.4% in Q1'13, nearly unchanged from 35.5% in the comparable quarter of last year.

Q1'13 net income was positively affected by a €65.7mn one-off after-tax capital gain from the sale of Hellas Sat, while in Q1'12 OTE had recorded a €211.3mn after-tax capital gain on the sale of Telekom Serbia stake. Furthermore, the re-measurement of the Group's deferred tax position due to the rise in the nominal tax rate in Greece from 20% to 26% resulted to a €50mn positive impact on the quarter's profitability.



Capital Expenditures amounted to €102.8mn in Q1'13 compared to €118.5mn a year ago. Capital expenditures in Greek fixed-line, Romanian fixed-line, and mobile operations amounted to €22.3mn, €13.5mn and €65.9mn, respectively.

In Q1'13, the OTE Group generated Net Operating Cash Flow of €256.6mn, up 9.6% compared to Q1'12. The strong cash flow generation during the period reflects the €66.4mn improvement in working capital. Free Cash Flow excluding mobile spectrum licenses and Voluntary Retirement Program-related payments amounted to €158.1mn in Q1'13, up 25.7% compared to Q1'12. The deconsolidation of Hellas Sat in the quarter reduced OTE's cash position by €49mn and increased current assets by €208mn. Proceeds from the sale of Hellas Sat are not included in Q1'13 cash flow and will be reflected in the second quarter, as the transaction was completed in early April 2013.

Reflecting solid cash flow generation, the Group's underlying net debt declined by €614mn or 18.3% compared to March 31, 2012, standing at €2.7bn. The Group's ratio of Underlying Net Debt to 12-month trailing Pro forma EBITDA stood at 1.7x, its lowest level since 2007. As of March 31, 2013, the Group held €6.7mn in short-dated highly liquid financial assets, included under Other Financial Assets.

OTE Group debt outstanding breaks down as follows:

(€ mn)	Mar 31, 2013	Dec 31, 2012	% Change	Mar 31, 2012	% Change
Short-Term:					
-Bank loans	1.9	1.4	+35.7%	3.5	-45.7%
Medium & Long-term:					
-Bonds	3,490.5	3,010.0	+16.0%	3,246.5	+7.5%
-Bank loans	642.4	1,039.4	-38.2%	1,656.4	-61.2%
Total Indebtedness	4,134.8	4,050.8	+2.1%	4,906.4	-15.7%
Cash and Cash equiv.	1,391.5	1,161.6	+19.8%	849.0	+63.9%
Net Debt	2,743.3	2,889.2	-5.0%	4,057.4	-32.4%
Other financial assets	6.7	6.7	+0.0%	706.8	-99.1%
Underlying Net Debt	2,736.6	2,882.5	-5.1%	3,350.6	-18.3%



1. FIXED LINE OPERATIONS, GREECE

ACCESS LINES

	Mar 31, 2013	Mar 31, 2012	Change
PSTN connections	2,682,587	2,909,939	-7.8%
ISDN connections (BRA & PRA)	383,327	420,451	-8.8%
Total PSTN & ISDN connections	3,065,914	3,330,390	-7.9%
<i>Of which Wholesale line rental (WLR) connections</i>	<i>59,197</i>	<i>75,298</i>	<i>-21.4%</i>
PSTN & ISDN connections excl. WLR	3,006,717	3,255,092	-7.6%
Total OTE Broadband active subscribers	1,235,588	1,120,954	+10.2%
OTE Broadband active retail subscribers	1,209,955	1,093,132	+10.7%
OTE TV Subscribers (IPTV & Satellite)	149,031	63,497	+134.7%
Unbundled local loops (active)	1,827,253	1,711,894	+6.7%

TRAFFIC STATISTICS

(min, mn)	Q1 '13	Q1 '12	Change
Local	1,815.4	2,011.9	-9.8%
National Long-distance	310.7	340.3	-8.7%
International Long-distance	56.2	58.6	-4.1%
Fixed-to-Mobile	227.7	271.5	-16.1%
Special Calls	24.7	23.4	5.7%
Total Voice traffic	2,434.7	2,705.6	-10.0%

In Q1'13, the total Greek market (OTE active retail lines, Wholesale line rental connections and full LLU subscribers) lost 26k lines (Q4'12:-21k, Q3'12: -51.5k, Q2'12: -42.7k, Q1'12: -52.2k). OTE fixed-line operations in Greece posted a net loss of 55.6k PSTN and ISDN retail connections compared to net line losses of 94.1k and 62.8K, respectively, in Q1'12 and Q4'12. In Q1'13, the competition recorded net additions of 29.4K.

In Q1'13, OTE achieved net additions of 30.8k retail broadband customers, or 50% of total net additions in the Greek market, bringing the total number of OTE subscribers to 1,210k. OTE's new competitive broadband offers again contributed to the overall growth of the country's broadband market, which has steadily picked up pace since Q2'12 and continues to grow.

OTE's high-speed VDSL broadband service, offering speeds of up to 50 Mbps, attracted nearly 13.5K new subscribers during the quarter, extending the rapid expansion this service has been experiencing since its introduction in late November 2012. Further success was also achieved in the corporate services area, as a total of 12.5K small-and medium- sized business have already signed up to OTE's Business Online service enabling them to boost their internet visibility. Initially offered as loyalty-building tool, this service should gradually be turned into a revenue-generator.

OTE's positioning as the customer-friendly partner of choice is also reflected in the strong growth of its TV offering. As of March 31, 2013, total TV subscribers amounted to 149K, an increase of over 29K in the quarter and nearly 86K compared to March 31,2012. All of the increase has been coming from the company's satellite TV service, while IPTV subscriber numbers have remained stable. The service's rich content, recently expanded to include British Premier League coverage in the second half of the year, should continue to fuel its growth and market share gains in the Greek pay TV market.

SUMMARY FINANCIAL DATA

(€ mn)	Q1 '13	*Q1 '12	% Change
Revenues	389.1	441.2	-11.8%
- Basic Monthly Rentals	91.9	100.7	-8.7%
- Fixed-to-fixed calls	52.0	65.3	-20.4%
- Fixed-to-mobile calls	16.1	22.2	-27.5%
- International	15.6	23.9	-34.7%
- Other	213.5	229.1	-6.8%
Other income/ (expense), net	1.3	(0.5)	-
EBITDA	137.3	141.6	-3.0%
as % of revenues	35.3%	32.1%	+3.2pp
Pro Forma EBITDA**	137.3	141.6	-3.0%
as % of revenues	35.3%	32.1%	+3.2pp
Operating Income (EBIT)	69.1	67.1	+3.0%
Voluntary Retirement costs/(reversals)	0.0	0.0	-
Depreciation & Amortization	68.2	74.5	-8.5%

* Adjusted due to amended IAS 19 "Employee benefits"

** Excluding impact of Voluntary Retirement Programs

Total Greek fixed-line Revenues declined by 11.8% in the quarter, a slightly improved rate of revenue reduction compared to the previous quarter (Q4'12: -12.7%, Q3'12: -12.3%, Q2'12: -9.4%; Q1'12: -9.1%). The decline reflects line disconnections, as well as lower ARPU due to MTR cuts and cautious consumer spending. In addition, lower interconnection traffic resulted in a particularly sharp drop in traditional telephony revenues in Q1'13.

Total Greek fixed-line Operating Expenses, excluding depreciation, amortization and charges related to voluntary retirement programs, amounted to €253.1mn in Q1'13, a drop of 15.4% compared to €299.1mn in Q1'12. Total Personnel Expenses were cut by an impressive 21% compared to the comparable quarter last year, amounting to 29.1% of total revenues in Q1'13, down from 32.4% in Q1'12, mainly reflecting the Voluntary Exit Scheme implemented at the end of 2012. Cost reductions were achieved in a number of other categories, partly offset by higher content costs and utilities. As a result, EBITDA margin improved substantially, to 35.3%, a 3.2 percentage point increase compared to Q1'12.

2. FIXED LINE OPERATIONS, ROMANIA

SUMMARY FINANCIAL & ACCESS LINE DATA

	Mar 31, 2013	Mar 31, 2012	Change
Voice Telephony Lines (Incl. CDMA)	2,301,511	2,446,788	-5.9%
Broadband subscribers (Incl. CDMA BB)	1,217,077	1,156,440	+5.2%
TV subscribers (DTH, IPTV & Cable)	1,277,494	1,190,721	+7.3%

(€ mn)	Q1 '13	Q1 '12	Change
Revenues	145.5	160.2	-9.2%
Other income/ (expense), net	3.7	4.1	-9.8%
EBITDA	38.1	40.4	-5.7%
as % of revenues	26.2%	25.2%	+1pp
Pro Forma EBITDA*	39.5	40.4	-2.2%
as % of revenues	27.1%	25.2%	+1.9pp
Operating Income (EBIT)	13.1	13.8	-5.1%
Voluntary Retirement costs/(reversals)	1.4	0.0	-

* Excluding impact of Restructuring Plans

In Q1'13, RomTelecom continued to balance part of the revenue losses from voice decline (-16%) and wholesale interconnection (-24%) with increases from TV (+9.2%) & BB services revenues (+6.5%). The decline in wholesale revenues mainly reflect the regulator-mandated termination rate cut implemented during 2012, with limited impact on EBITDA. Overall, despite difficult market and macroeconomic conditions, RomTelecom increased its pro forma EBITDA margin by 190bps.

Compared to the year-earlier level, the total number of RomTelecom broadband customers rose by over 5% at the end of Q1'13, reflecting organic subscriber acquisitions. As a result, broadband penetration as a percentage of total RomTelecom voice connections is now nearly 53%. With similarly high penetration rates (56%), TV subscribers rose by 7.3%, compared to the end of Q1'12. Both of these developments represent significant advances in RomTelecom's ability to defend its customer base.

In the quarter, despite the 9.2% decline in revenues, pro forma EBITDA was down by only 2.2% compared to Q1'12, chiefly reflecting accelerated implementation of RomTelecom's cost-reduction initiatives. Total operating expenses (excluding D&A and one-off costs) were down 11.5% in Q1'13, with personnel expenses roughly unchanged from the Q1'12 level. Depreciation & Amortization were down 6.0% compared to Q1'12.

RomTelecom enhanced the footprint of its cable TV offering in urban settings during the first quarter of the year, thereby providing access to a greater number of urban households.

Continuing its transformation process, RomTelecom is running an internal program through which all service activation and repair processes are actively monitored to increase internal efficiency and deliver better services and an improved experience to its customers.

3. MOBILE OPERATIONS

SUMMARY FINANCIAL DATA

Revenues (€ mn)	Q1 '13	Q1 '12	Change
Greece	313.3	381.3	-17.8%
Romania	108.2	117.4	-7.8%
Bulgaria	82.6	96.7	-14.6%
Albania	18.2	21.0	-13.3%
Intragroup eliminations	(4.9)	(5.4)	-
Total Revenues	517.4	611.0	-15.3%
Pro forma EBITDA *			
Greece	121.1	153.1	-20.9%
Romania	24.3	25.9	-6.2%
Bulgaria	26.3	33.7	-22.0%
Albania	5.9	7.0	-15.7%
Intragroup eliminations	(1.0)	(2.5)	-
Total Pro forma EBITDA*	176.6	217.1	-18.7%
Voluntary retirement costs	0.0	0.0	-
EBITDA	176.6	217.1	-18.7%
Greece	38.7%	40.2%	-1.5pp
Romania	22.5%	22.1%	+0.4pp
Bulgaria	31.8%	34.9%	-3.1pp
Albania	32.4%	33.3%	-0.9pp
Total Proforma EBITDA margin*	34.1%	35.5%	-1.4pp
EBITDA Margin	34.1%	35.5%	-1.4pp

**Excluding impact of Restructuring Plan at Mobile Operations*

As of March 31, 2013, the mobile operations of the OTE Group counted approximately 20.2mn customers, down slightly from the prior-year level. Despite depressed conditions and intense competition in each of the four markets in which it operates, the Cosmote Group defended its market positions during the quarter.

MOBILE OPERATIONS, GREECE

As of the end of Q1'13, Cosmote provided mobile telephony services to 7.6mn customers in Greece, down 2.9% from March 31, 2012. The drop is entirely due to the elimination of double SIM cards by prepaid customers.

The 19.1% service revenue drop recorded by Cosmote Greece in Q1'13 chiefly reflects the latest round of regulator-mandated Mobile Termination Rate (MTR) cuts. As from January 1, 2013, the MTR was cut down to 1.269 Eurocents/minute, compared to 4.95 Eurocents/minute in Q1'12. In addition, revenues were negatively impacted by extremely depressed consumer spending conditions as a result of the tough macroeconomic environment, as well as by intensifying competition.

Cosmote continues to actively invest in innovative services and enhanced customer experience. During Q1'13, Cosmote expanded its 4G coverage to a number of main cities in addition to the Athens and Thessaloniki metropolitan areas, building up its rollout to include key summer resorts ahead of the vacation season. The company's focus on mobile data services was rewarded by a 14% increase in handset Internet revenues compared to Q1'12, and drove demand for smartphones, which accounted for more than half of all its handset sales in Q1'13.



Confirming the company's customer-centric strategy, Cosmote won the first place in the "CRM Grand Prix 2012" contest, as the best Customer Care center in the category "Large Contact Centers" in Greece.

In Q1'13, blended AMOU increased by 1.0% to 287.3 minutes, while blended ARPU for the same period was €12.1, down 16.9% from Q1'12, mainly reflecting lower ARPU in the Prepaid segment.

MOBILE OPERATIONS, ROMANIA

In Q1'13, Cosmote Romania's total customer base stood at 6.1mn, of which 24.9% was postpaid. The number of business customers grew by 21.4% compared to Q1'12, reflecting the company's targeted offers for professional users and synergies with RomTelecom in the B2B segment. In addition, the company's 3G customer base increased by 28.6% compared to Q1'12.

Service revenues declined by 9.1% compared to Q1'12 as a result of the two consecutive rounds of termination rate cuts implemented in March and September 2012. These cuts were also the primary reason of Cosmote Romania's EBITDA decrease by 6.2% compared to Q1'12. EBITDA margin stood at 22.5%, unchanged from the same quarter last year, despite the unfavorable evolution in wholesale prices and intense competition.

Blended ARPU decreased by 5.9% in Q1'13 compared to Q1'12, due to lower incoming ARPU adversely affected by mobile interconnection rate cuts.

MOBILE OPERATIONS, BULGARIA

Globul's total customer base reached nearly 4.6mn in Q1'13, up 4.5% from the prior-year level, as the company's innovative voice and data solutions resulted in a solid increase in postpaid subscriber numbers. The subscriber base of Globul's hybrid fixed-telephony service continued to grow, reaching nearly 230k customers at March 31, 2013. The number of mobile broadband subscribers more than doubled compared to Q1'12.

In the quarter, Globul's service revenues dropped by 20.5% compared to Q1'12, chiefly reflecting lower termination rates imposed by the Regulatory Authority and a change in accounting treatment of early contract termination. Total revenue declined at a lower rate, mainly due to higher sales of handsets and increased smartphone penetration. National MTRs in Bulgaria have been reduced from 6.3 Eurocents/minute to 2.7 Eurocents/minute as of July 1, 2012. A further drop, to 2.2 Eurocents/minute, was implemented on January 1, 2013. During Q1'13, EBITDA reached €26.3mn, down 22% compared to Q1'12, with the impact of MTR cuts being calculated at approximately €11.5mn.

MOBILE OPERATIONS, ALBANIA

At the end of Q1'13, AMC's customer base stood at 1.9mn subscribers, up 10.2% compared to March 31, 2012, despite continuing intense competition during the period. Thanks to the 96.5% population coverage it has achieved through its particularly cost-efficient 3G network, AMC posted a 27.6% increase in mobile data revenues in Q1'13 compared to the same period last year, underscoring the company's focus on the growing Albanian data market.

Compared to Q1'12, revenues were negatively affected by aggressive pricing offers chiefly targeting the prepaid and business segments, lower domestic interconnection tariffs imposed by the Regulatory Authority following the announced glide path, and adverse economic conditions as a result of the prolonged recession in Greece and Italy, Albania's main commercial counterparts.

Reflecting aggressive pricing competition, AMC's EBITDA margin dropped to 32.4% in Q1'13, despite ongoing efforts to optimize the company's cost structure, which resulted in OPEX reduction of 13% compared to Q1'12.



4. EVENTS OF THE QUARTER

PRIVATE BOND EXCHANGE AGREEMENT

On January 16, 2013, OTE PLC concluded a private bond exchange agreement under its Global Medium-Term Note Program by which it exchanged €187mn of the August 2013 Notes with a new issue of €187.7mn Notes ("New Notes") maturing in February 2015. The repurchased €187mn August 2013 notes have been cancelled. The New Notes were consolidated with the existing €600mn Notes issued in February 2008 and maturing in February 2015, which have a current coupon of 7.25%.

NEW BOND ISSUE & TENDER OFFER UNDER GMTN PROGRAM

On January 29, 2013, OTE announced its intention to issue new five-year fixed interest Notes under its €6.5bn Global Medium-Term Note Program. At the same time, OTE Plc announced a tender offer for its existing bond issues maturing in August 2013 and April 2014, at prices of 100% and 102% respectively. Following this announcement, on February 7, 2013, OTE PLC issued new €700mn, 5-year Fixed Rate Notes with an annual coupon of 7.875%, paid semi-annually. The issue was oversubscribed 2.7 times, with the demand set at an amount in excess of €1.9bn. Additionally, on February 13, 2013, OTE announced that following the completion of the tender offer, €106.2mn of the 2013 Notes and €92.5mn of the 2014 Notes, respectively, had been repurchased and cancelled. As a result, the outstanding nominal amount of August 2013 Notes and April 2014 Notes was reduced at €713.8mn and €407.5mn respectively.

OTE REPAYS €400MN OF ITS SYNDICATED BOND LOAN FACILITY

On February 11, 2013, OTE proceeded with the repayment of €400mn under the €900mn Revolving Credit Facility (Bond Loan) that OTE had signed on February 2011 with a consortium of banks. The remaining portion of nominal amount of €500mn, maturing on February 11, 2014, has been reclassified under short-term portion of long-term borrowings. The current outstanding balance of the loan is €492.3mn.

PARTIAL PREPAYMENT OF APRIL 2014 NOTES

On March 1, 2013, OTE PLC proceeded with partial prepayments of €4.5mn under the April 2014 Notes. As a result, on March 31, 2013 the outstanding nominal amount of April 2014 Notes was €403.0mn.

MANAGEMENT CHANGES AT ROMTELECOM

On March 12, 2013, OTE announced the appointment of Mr. Nikolai Beckers as CEO of its Romanian subsidiaries RomTelecom and Cosmote Romania, effective April 1. Mr. Stefanos Theocharopoulos, former RomTelecom and Cosmote Romania CEO, assumes the new position of Group Chief Technology & Operations Officer for both Fixed & Mobile Telephony. In Greece, Mr. Theocharopoulos is responsible for a team of over 6,000 employees.

5. SUBSEQUENT EVENTS

COMPLETION OF THE SALE OF HELLAS SAT

On April 3, 2013, OTE announced that it completed the sale of its 99.05% stake in Hellas Sat to Arabsat. OTE received total proceeds of €208mn and dividends of €7mn, pursuant to the Share Purchase Agreement signed in February.

VES COSMOTE

On April 5, 2013, Cosmote announced a Voluntary Exit Scheme addressed to employees who are meeting certain criteria. The deadline for the submission of the applications was on April 19, 2013. The estimated cost amounts to approximately €4.5mn and will be recorded in the consolidated income statement of the first half of 2013, in the line "Cost of early retirement program".

PARTIAL PREPAYMENT OF APRIL 2014 NOTES

In April 2013, OTE PLC proceeded with partial prepayments of €21.0mn under the April 2014 Notes. The remaining balance of nominal amount of €382.0mn that matures on April 8, 2014 was reclassified to the short-term portion of long-term borrowings.



SALE OF GLOBUL

On April 26, 2013, the Group announced the signing of an agreement to sell its 100.00% stake in Globul and in Germanos Telecom Bulgaria A.D. to Telenor Mobile Communications AS, the Norwegian telecom operator. The agreed consideration for the sale reached to €717mn (enterprise value), and will be adjusted for the net debt and the changes in the working capital of the two entities at the date the transaction is completed. The transaction is expected to be completed within the next months, after all necessary procedures have been finalized and is subject to approval by the competent authorities.

6. OUTLOOK

OTE expects its revenue base to remain under considerable pressure from Mobile Termination Rate cuts, difficult economic conditions and intense competition across all its activities. In Greece the Group's fixed-line activities should continue to benefit from its strengthened consumer positioning, reduced personnel expenses and ongoing cost-cutting efforts. OTE will continue to innovate across all its operations to support revenues, meet consumer demand for top-quality, cost-effective products and services, and maintain its leading brand positioning and technological edge. OTE will also pursue its efforts to contain costs and capital expenditures, strengthen its cash flow generation, and secure its financial position.

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.

Apart from serving as a full service telecommunications group in the Greek telecoms market, OTE Group has also expanded during the last decade its geographical footprint throughout South East Europe, acquiring stake in the incumbent telecommunications company of Romania, and establishing mobile operations in Albania, Bulgaria, and Romania. At present, companies in which OTE Group has an equity interest employ more than 27,500 people in four countries, and our portfolio of solutions ranges from fixed and mobile telephony to Internet applications, satellite, maritime communications and consultancy services.

OTE shares are listed on the **Athens Stock Exchange**, and the **London Stock Exchange** (in the form of GDRs). Following their delisting from NYSE in September 2010, the company's ADRs trade in the US OTC market. OTE's American Depositary Receipts (ADR's) represent ½ ordinary share.

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

Contacts:

Dimitris Tzelepis - Head of Investor Relations

Tel: +30 210 611 1574, Email: dtzelepis@ote.gr

Maria Kountouri - Assistant to the Head of Investor Relations

Tel: +30 210 611 5381, Email: mkountouri@ote.gr

Kostas Maselis - Senior Financial Analyst, Investor Relations

Tel: + 30 210 611 7593, Email: kmaselis@ote.gr

Christina Hadjigeorgiou - Financial Analyst, Investor Relations

Tel: +30 210 611 1428, Email: cchatzigeo@ote.gr

Sofia Ziavra - Financial Analyst, Investor Relations

Tel: + 30 210 611 8190, Email: sziaavra@ote.gr



Exhibits to follow:

- I. Consolidated Balance Sheets as of March 31, 2013 and December 31, 2012
- II. Consolidated Income Statements for the quarter ended March 31, 2013 and comparative 2012
- III. Consolidated Statement of Cash Flows for the quarter ended March 31, 2013, and comparative Q4'12, Q3'12, Q2'12, Q1'12
- IV. Group Revenues for the quarter ended March 31, 2013 and comparative 2012
- V. Segment Reporting based on the Group's legal structure
- VI. Mobile Operations
- VII. Operational Highlights



EXHIBIT I – CONSOLIDATED BALANCE SHEET

(€ mn)	Mar 31, 2013	*Dec 31, 2012
ASSETS		
Property, plant and equipment	3,752.4	3,914.1
Goodwill	567.4	567.1
Telecommunication licenses	438.9	448.0
Other Intangible assets	482.0	505.0
Investments	1.2	1.2
Loans and advances to pension funds	115.5	117.1
Deferred tax assets	326.1	263.4
Other non-current assets	168.4	168.8
Total non - current assets:	5,851.9	5,984.7
Inventories	118.0	111.4
Trade receivables	787.1	822.8
Other financial assets	6.7	6.7
Other current assets	444.9	213.7
Restricted Cash	39.4	65.1
Cash and cash equivalents	1,391.5	1,161.6
Total current assets	2,787.6	2,381.3
TOTAL ASSETS	8,639.5	8,366.0
EQUITY AND LIABILITIES		
Share capital	1,171.5	1,171.5
Share premium	510.0	509.6
Statutory reserve	347.2	347.2
Foreign exchange and other reserves	(154.5)	(165.3)
Changes in non-controlling interests	(3,321.5)	(3,321.5)
Retained earnings	3,224.8	3,057.3
Total equity attributable to equity holders of the parent:	1,777.5	1,598.8
Non-controlling interests	394.7	390.0
Total equity	2,172.2	1,988.8
Long-term borrowings	2,919.2	2,635.2
Provision for staff retirement indemnities	287.9	288.7
Provision for Youth account	187.9	190.9
Deferred tax liabilities	99.0	84.1
Other non – current liabilities	110.5	116.0
Total non – current liabilities	3,604.5	3,314.9
Trade accounts payable	751.6	784.5
Short-term borrowings	1.9	1.4
Short-term portion of long-term borrowings	1,213.7	1,414.2
Income tax payable	47.8	31.6
Deferred revenue	164.8	174.9
Provision for voluntary leave scheme	151.4	151.4
Dividends payable	1.9	1.9
Other current liabilities	529.7	502.4
Total current liabilities	2,862.8	3,062.3
Total liabilities	6,467.3	6,377.2
TOTAL EQUITY AND LIABILITIES	8,639.5	8,366.0

* Adjusted due to amended IAS 19 "Employee benefits"



EXHIBIT II – CONSOLIDATED INCOME STATEMENT

(€ mn)	Q1 '13	*Q1 '12	% Change
Total Revenues	1,045.4	1,180.2	-11.4%
Other income/ expenses net	5.6	1.0	-
Operating Expenses:			
Payroll and employee benefits	(213.1)	(241.4)	-11.7%
Provision for staff retirement indemnities	(3.0)	(3.6)	-16.7%
Provision for Youth Account	(0.7)	(1.0)	-30.0%
Cost of early retirement program	(1.8)	0.0	-
Charges from international operators	(37.3)	(45.1)	-17.3%
Charges from domestic telephony operators	(52.1)	(81.6)	-36.2%
Depreciation, amortization and impairment	(214.6)	(222.6)	-3.6%
Cost of telecommunications equipment / write downs	(54.5)	(62.3)	-12.5%
Other operating expenses	(320.5)	(326.8)	-1.9%
Total Operating Expenses	(897.6)	(984.4)	-8.8%
<i>Total OpEx ex - D&A, Impairments & Cost of Early Retirement Programs</i>	<i>(681.2)</i>	<i>(761.8)</i>	<i>-10.6%</i>
Operating profit before financial activities	153.4	196.8	-22.1%
Financial results:			
Interest expense	(70.9)	(71.6)	-1.0%
Interest Income	3.5	4.3	-18.6%
Foreign exchange differences, net	1.6	3.2	-50.0%
Gain/(losses) from investments and financial assets - impairments	60.6	225.0	-73.1%
Total profit/(loss) from financial activities	(5.2)	160.9	-
Profit before tax	148.2	357.7	-58.6%
Income tax expense	24.5	(42.6)	-
Profit for the period	172.7	315.1	-45.2%
Attributable to:			
Owners of the parent	167.5	308.1	-45.6%
Non-controlling interests	5.2	7.0	-25.7%

* Adjusted due to amended IAS 19 "Employee benefits"



EXHIBIT III – CONSOLIDATED STATEMENT OF CASH FLOWS *

(€ mn)	Q1 '12	Q2 '12	Q3 '12	Q4 '12	Q1 '13
Cash Flows from Operating Activities:					
Profit/(loss) before tax	357.7	141.5	150.8	(46.3)	148.2
Adjustments for:					
Depreciation, amortization and impairment	222.6	229.3	224.5	242.3	214.6
Share-based payment	0.7	1.0	(0.2)	0.1	0.4
Cost of early retirement program	0.0	0.0	0.0	123.0	1.8
Provision for staff retirement indemnities	3.6	3.6	4.0	16.6	3.0
Provision for youth account	1.0	1.1	1.0	(9.3)	0.7
Write down of inventories	0.9	2.6	2.2	2.0	0.5
Provision for doubtful accounts	32.2	31.5	32.4	21.0	24.3
Other provisions	0.0	0.0	0.0	2.7	(2.4)
Foreign exchange differences, net	(3.2)	4.4	(6.1)	6.3	(1.6)
Interest income	(4.3)	(3.9)	(3.3)	(3.7)	(3.5)
Dividend income	0.0	(3.9)	0.0	0.0	0.0
(Gains) / Losses from investments and financial assets - Impairments	(225.0)	0.1	0.0	(0.2)	(60.6)
Interest expense	71.6	51.2	66.1	59.8	70.9
Working capital adjustments	(90.2)	(108.2)	10.8	177.8	(23.8)
Decrease/(increase) in inventories	(3.7)	7.4	3.6	(1.4)	(7.3)
Decrease/(increase) in receivables	(47.2)	(76.0)	21.8	142.4	(27.6)
(Decrease)/increase in liabilities (except borrowings)	(39.3)	(39.6)	(14.6)	36.8	11.1
Plus/(Minus):					
Payment of early retirement programs and voluntary leave scheme	(9.1)	(5.8)	(3.4)	(128.1)	(4.3)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(16.9)	(7.9)	(10.5)	(80.4)	(6.3)
Interest and related expenses paid	(81.7)	(67.9)	(81.9)	(15.2)	(102.7)
Income taxes paid	(25.7)	(26.9)	(30.3)	(33.6)	(2.6)
Net Cash Flows from Operating Activities	234.2	241.8	356.1	334.8	256.6
Cash Flows from Investing Activities:					
Purchase of financial assets	(720.0)	0.0	(0.1)	0.6	0.0
Sale or maturity of financial assets	366.1	358.6	258.1	78.1	0.0
Repayments of loans receivables	2.6	2.6	2.5	2.6	2.6
Purchase of property, plant and equipment and intangible assets	(118.5)	(100.9)	(106.9)	(228.0)	(102.8)
Decrease/(increase) in restricted cash	0.0	0.0	(37.0)	(28.1)	23.5
Proceeds from disposal of subsidiaries / investments, net of cash disposed	380.0	0.0	0.0	0.0	(49.4)
Interest received	2.9	5.1	5.1	4.1	5.0
Dividends received	17.0	3.9	0.0	0.0	0.0
Net Cash flows from/(used in) Investing Activities	(69.9)	269.3	121.7	(170.7)	(121.1)
Cash Flows from Financing Activities:					
Proceeds from loans granted and issued	4.2	303.7	4.7	153.7	888.2
Repayment of loans	0.0	(350.9)	(783.9)	(164.1)	(794.7)
Dividends paid to Company's owners	0.0	0.0	(0.1)	(0.3)	0.0
Net Cash flows from/(used in) Financing Activities	4.2	(47.2)	(779.3)	(10.7)	93.5
Net Increase/(decrease) in Cash and Cash Equivalents	168.5	463.9	(301.5)	153.4	229.0
Cash and Cash equivalents at beginning of period	683.4	849.0	1,310.2	1,003.8	1,161.6
Net foreign exchange differences	(2.9)	(2.7)	(4.9)	4.4	0.9
Cash and Cash Equivalents at the end of the period	849.0	1,310.2	1,003.8	1,161.6	1,391.5
<i>Below we depict OTE Group's total liquidity adding the holdings under "Other financial assets"</i>					
<i>Other financial assets</i>	<i>706.8</i>	<i>347.9</i>	<i>84.3</i>	<i>6.7</i>	<i>6.7</i>
OTE Group's total liquidity	1,555.8	1,658.1	1,088.1	1,168.3	1,398.2

* 2012 figures are adjusted due to amended IAS 19 "Employee benefits"

EXHIBIT IV – GROUP REVENUES

(€ mn)	Q1 '13	Q1 '12	% Change
Domestic Telephony:			
Monthly network service fees	134.9	149.3	-9.6%
Local and long distance-calls			
-Fixed to fixed	56.7	72.3	-21.6%
-Fixed to mobile	21.2	29.5	-28.1%
	77.9	101.8	-23.5%
Other	13.1	14.8	-11.5%
Total Domestic Telephony	225.9	265.9	-15.0%
International Telephony:			
International traffic	10.6	12.8	-17.2%
Dues from mobile operators	6.0	6.3	-4.8%
	16.6	19.1	-13.1%
Dues from International operators	10.8	19.5	-44.6%
Total International Telephony	27.4	38.6	-29.0%
Mobile Telephony	423.2	489.0	-13.5%
Other Revenues:			
Prepaid cards	3.5	3.9	-10.3%
Leased lines and data ATM communications	52.3	66.4	-21.2%
ISDN	25.1	27.9	-10.0%
Sales of telecommunication equipment	68.7	67.8	+1.3%
Internet/ADSL	76.1	75.0	+1.5%
Col-ocation/Local Loop	55.6	55.6	+0.0%
Metro Ethernet & IP CORE	14.2	12.5	+13.6%
Provision for services	34.1	31.8	+7.2%
Interconnection charges	14.2	17.8	-20.2%
Miscellaneous	25.1	28.0	-10.4%
Total Other Revenues	368.9	386.7	-4.6%
Total Revenues	1,045.4	1,180.2	-11.4%



EXHIBIT V – SEGMENT REPORTING (3M 2013)

(€ mn)	OTE	Cosmote	RomTelecom	All Other	Total	Adjustments & Eliminations	Consolidated
Revenues:							
Domestic Telephony	170.9		54.2	1.9	227.0		
International Telephony	15.6		14.8	0.2	30.6		
Mobile Telephony	0.0	435.5	0.0	0.1	435.6		
Other	202.6	81.9	76.5	92.2	453.2		
Total Revenues	389.1	517.4	145.5	94.4	1,146.4	(101.0)	1,045.4
Intersegment Revenues	(22.3)	(24.4)	(5.1)	(49.2)	(101.0)		
Revenues from External Customers	366.8	493.0	140.4	45.2	1,045.4		1,045.4
Other income/ (expense), net	1.3	0.7	3.7	0.7	6.4	(0.8)	5.6
Operating Expenses:							
Personnel expenses	(113.1)	(54.2)	(29.2)	(17.9)	(214.4)	(2.4)	(216.8)
Cost of early retirement program	0.0	0.0	(1.4)	(0.4)	(1.8)	0.0	(1.8)
Charges from international operators	(15.9)	(2.7)	(6.9)	(30.0)	(55.5)	18.2	(37.3)
Charges from domestic telephony operators	(18.2)	(37.9)	(11.2)	0.0	(67.3)	15.2	(52.1)
Depreciation, amortization and impairment	(68.2)	(112.2)	(25.0)	(9.2)	(214.6)	0.0	(214.6)
Cost of telecommunication equipment / write downs	(6.4)	(51.4)	(3.2)	(0.5)	(61.5)	7.0	(54.5)
Other operating expenses	(99.5)	(195.3)	(59.2)	(28.7)	(382.7)	62.2	(320.5)
Total Operating Expenses	(321.3)	(453.7)	(136.1)	(86.7)	(997.8)	100.2	(897.6)
Operating Profit (EBIT)	69.1	64.4	13.1	8.4	155.0	(1.6)	153.4
Pro forma* EBITDA	137.3	176.6	39.5	18.0	371.4	(1.6)	369.8
as % of Revenues	35.3%	34.1%	27.1%	19.1%	32.4%		35.4%

*Excluding impact of Voluntary Retirement Programs and Restructuring Plans



EXHIBIT V – SEGMENT REPORTING (3M 2012**)

(€ mn)	OTE	Cosmote	RomTelecom	All Other	Total	Adjustments & Eliminations	Consolidated
Revenues:							
Domestic Telephony	200.9		64.2	3.7	268.8		
International Telephony	23.9		20.4	0.5	44.8		
Mobile Telephony		526.5			526.5		
Other	216.4	84.5	75.6	102.5	479.0		
Total Revenues	441.2	611.0	160.2	106.7	1,319.1	(138.9)	1,180.2
Intersegment Revenues	(30.1)	(42.8)	(5.7)	(60.3)	(138.9)		
Revenues from External Customers	411.1	568.2	154.5	46.4	1,180.2		1,180.2
Other income/ (expense), net	(0.5)	(2.6)	4.1	0.8	1.8	(0.8)	1.0
Operating Expenses:							
Personnel expenses	(143.1)	(58.1)	(28.9)	(15.3)	(245.4)	(0.6)	(246.0)
Cost of early retirement program	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Charges from international operators	(20.3)	(4.1)	(9.9)	(38.4)	(72.7)	27.6	(45.1)
Charges from domestic telephony operators	(31.8)	(58.9)	(16.0)	(0.1)	(106.8)	25.2	(81.6)
Depreciation, amortization and impairment	(74.5)	(111.9)	(26.6)	(10.2)	(223.2)	0.6	(222.6)
Cost of telecommunication equipment / write downs	(10.9)	(59.6)	(3.5)	(0.6)	(74.6)	12.3	(62.3)
Other operating expenses	(93.0)	(210.6)	(65.6)	(32.2)	(401.4)	74.6	(326.8)
Total Operating Expenses	(373.6)	(503.2)	(150.5)	(96.8)	(1,124.1)	139.7	(984.4)
Operating Profit (EBIT)	67.1	105.2	13.8	10.7	196.8	0.0	196.8
Pro forma* EBITDA	141.6	217.1	40.4	20.9	420.0	(0.6)	419.4
as % of Revenues	32.1%	35.5%	25.2%	19.6%	31.8%		35.5%

* Excluding impact of Voluntary Retirement Programs and Restructuring Plans

** Adjusted due to amended IAS 19 "Employee benefits"



EXHIBIT VI– MOBILE OPERATIONS

(€ mn)	Q1 '13	Q1 '12	Change
Revenues:			
Monthly service fees	177.0	186.7	-5.2%
Airtime revenues	163.2	193.6	-15.7%
Interconnection revenues	45.8	89.5	-48.8%
Roaming revenues	3.1	3.3	-6.1%
SMS revenues and other services	46.4	53.4	-13.1%
Sales of handsets and accessories	66.5	69.5	-4.3%
Commission revenues	2.2	2.3	-4.3%
Other operating revenues	13.2	12.6	+4.8%
Total Revenues	517.4	611.0	-15.3%
Revenues from telecommunication services	435.6	526.5	-17.3%
Other Operating income/(expenses)	0.7	(2.6)	-126.9%
Operating Expenses:			
Interconnection	(40.6)	(63.0)	-35.6%
Cost of goods	(51.2)	(58.6)	-12.6%
Payroll	(54.2)	(58.1)	-6.7%
Network operating costs	(50.5)	(55.1)	-8.3%
Distribution & sales	(67.8)	(75.4)	-10.1%
Marketing & Customer care	(29.2)	(32.7)	-10.7%
General & administrative	(32.4)	(27.9)	+16.1%
Provision for doubtful accounts	(15.6)	(20.4)	-23.5%
Depreciation	(112.2)	(111.9)	+0.3%
Total Operating Expenses	(453.7)	(503.2)	-9.8%
Operating Income (EBIT)	64.4	105.2	-38.8%
EBITDA	176.6	217.1	-18.7%
as % of Revenues	34.1%	35.5%	-1.4pp
Pro forma* EBITDA	176.6	217.1	-18.7%
as % of Revenues	34.1%	35.5%	-1.4pp

*Excluding impact of Voluntary Retirement Programs and Restructuring Plans



EXHIBIT VII –OPERATIONAL HIGHLIGHTS

	Mar 31, 2013	Mar 31, 2012	% Change
Fixed Line Operations, Greece			
PSTN connections	2,682,587	2,909,939	-7.8%
ISDN connections (BRA & PRA)	383,327	420,451	-8.8%
Total PSTN & ISDN connections	3,065,914	3,330,390	-7.9%
<i>Wholesale line rental connections</i>	<i>59,197</i>	<i>75,298</i>	<i>-21.4%</i>
PSTN & ISDN connections ex-WLR	3,006,717	3,255,092	-7.6%
Total OTE Broadband active subscribers	1,235,588	1,120,954	+10.2%
OTE Broadband active retail subscribers	1,209,955	1,093,132	+10.7%
OTE TV Subscribers (IPTV & Satellite)	149,031	63,497	+134.7%
Unbundled local loops (active)	1,827,253	1,711,894	+6.7%
Employees	8,734	10,556	-17.3%
Fixed Line Operations, Romania			
Voice Telephony lines (Incl. CDMA)	2,301,511	2,446,788	-5.9%
Broadband subscribers(Incl. CDMA BB)	1,217,077	1,156,440	+5.2%
TV subscribers (DTH, IPTV & Cable)	1,277,494	1,190,721	+7.3%
Employees	7,330	7,496	-2.2%
Mobile Operations			
Mobile subscribers, Greece	7,631,733	7,862,373	-2.9%
Mobile subscribers, Albania	1,896,907	1,721,952	+10.2%
Mobile subscribers, Bulgaria	4,554,467	4,359,399	+4.5%
Mobile subscribers, Romania	6,077,943	6,407,240	-5.1%
Employees	8,507	8,442	+0.8%