

OTE GROUP REPORTS 2016 FIRST QUARTER RESULTS
UNDER IFRS

- **Solid performance in Greece:**
 - **Fixed Revenues up 1.7% on strong Broadband, TV, ICT performance**
 - **Moderate drop in Mobile Service Revenues (-3.1%, vs. -3.7% in FY'15)**
 - **Fixed EBITDA up 8%; Combined Fixed & Mobile EBITDA up 1%**
- **Continuing pressure in Romania**
- **Adjusted FCF impacted by lower EBITDA, Capex and working capital timing**
- **Net Debt at €853mn, or 0.6x EBITDA**

ATHENS, Greece – May 4, 2016 - Hellenic Telecommunications Organization SA (ASE: HTO; OTC MARKET: HLTOY), the Greek full-service telecommunications provider, today announced unaudited consolidated results (prepared under IFRS) for the quarter ended March 31, 2016.

| OTE Group (€ mn) | Q1 '16 | Q1 '15 | Change |
|------------------------------------|---------------|---------------|---------------|
| Revenues | 928.5 | 940.8 | -1.3% |
| EBITDA | 305.4 | 320.0 | -4.6% |
| Pro forma EBITDA* | 309.3 | 326.0 | -5.1% |
| <i>Pro forma EBITDA margin (%)</i> | <i>33.3%</i> | <i>34.7%</i> | <i>-1.4pp</i> |
| Net Income | 33.9 | 40.4 | -16.1% |
| Basic EPS (€) | 0.0694 | 0.0827 | -16.1% |
| Adj. Net Operating Cash Flow ** | 189.0 | 212.8 | -11.2% |
| Adj. CapEx ** | 164.7 | 159.8 | +3.1% |
| Adj. Free Cash Flow** | 24.3 | 53.0 | -54.2% |
| Cash & Other financial assets | 1,336.5 | 1,044.6 | +27.9% |
| Net Debt (Underlying) | 853.2 | 1,135.9 | -24.9% |
| Greek Fixed Line (OTE SA) | Q1 '16 | Q1 '15 | Change |
| Revenues | 378.9 | 372.4 | +1.7% |
| Pro Forma EBITDA* | 161.1 | 149.1 | +8.0% |
| <i>Pro Forma EBITDA*margin (%)</i> | <i>42.5%</i> | <i>40.0%</i> | <i>+2.5pp</i> |

* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans

** Cash Flow includes interest received but excludes Voluntary Exit Programs, Restructuring and/or Spectrum payments

Commenting on OTE's results for the first quarter of 2016, Michael Tsamaz, Chairman & CEO, noted: "We achieved a positive first quarter in Greece, in circumstances that remain demanding. Our Greek fixed-line revenue growth was solid, driven by the continued healthy results of our TV and broadband solutions, with VDSL reaching record net additions in the quarter. ICT revenues remained strong this quarter. In Greek mobile, the drop in service revenues reflects demand pressures affected mainly by the general market conditions. Our mobile subsidiaries in Romania and Albania turned in positive top-line performances. Our Romanian operations have yet to show the benefits from our ongoing significant efforts and investments, but we are confident in the new management's ability to improve performance over time."

Mr. Tsamaz added: "We are fully aware of the headwinds in front of us for the balance of the year, particularly from the implementation of measures impacting the disposable income of our Greek customers and potentially the demand for our services. We are working hard to provide all our clients with the best value for their money, and we are convinced that the best way to earn and retain their trust, and support our top line, is to continue investing intelligently in our networks and technology."

We will execute this with the strictest operational and financial discipline, to sustain the productivity and profitability of our businesses.”

Outlook

In the current year, OTE expects a persistence of the trends that shaped its 2015 performance. In Greece, OTE is leveraging its capabilities and resources to mitigate the impact from continuing difficult economic conditions as well as pressures on consumer and business spending. The potential implementation of additional taxation on the Company’s offering may have a further impact on demand. In its international operations, the Group expects competition in Romania to remain heated and is taking steps to reverse revenue erosion in the medium term, given ongoing efforts in the technological, commercial, cost-containment and network monetization fronts.

OTE’s total Capex should again in 2016 be in the vicinity of €0.55bn, excluding spectrum. OTE also expects free cash flow for full year 2016 to amount to approximately €0.5bn.

BREAKDOWN OF GROUP REVENUES

| (€ mn) | Q1 '16 | Q1 '15 | Change |
|--------------------------------|---------------|---------------|---------------|
| Fixed Line Operations, Greece | 378.9 | 372.4 | +1.7% |
| Mobile Operations, Greece | 276.9 | 293.7 | -5.7% |
| Fixed Line Operations, Romania | 137.1 | 148.7 | -7.8% |
| Mobile Operations, Romania | 113.0 | 103.2 | +9.5% |
| Mobile Operations, Albania | 20.5 | 16.3 | +25.8% |
| Others | 105.7 | 118.7 | -11.0% |
| Eliminations (Mobile & Group) | (103.6) | (112.2) | -7.7% |
| TOTAL | 928.5 | 940.8 | -1.3% |
| Other Income/(Expense) | 8.7 | 16.1 | -46.0% |

BREAKDOWN OF GROUP PRO FORMA EBITDA

| (€ mn) | Q1 '16 | Q1 '15 | Change |
|--------------------------------|---------------------|---------------------|----------------------|
| Fixed Line Operations, Greece | 161.1 | 149.1 | +8.0% |
| <i>margin</i> | <i>42.5%</i> | <i>40.0%</i> | <i>+2.5pp</i> |
| Mobile Operations, Greece | 91.9 | 100.4 | -8.5% |
| <i>margin</i> | <i>33.2%</i> | <i>34.2%</i> | <i>-1pp</i> |
| Fixed Line Operations, Romania | 20.5 | 32.8 | -37.5% |
| <i>margin</i> | <i>15.0%</i> | <i>22.1%</i> | <i>-7.1pp</i> |
| Mobile Operations, Romania | 18.3 | 22.4 | -18.3% |
| <i>margin</i> | <i>16.2%</i> | <i>21.7%</i> | <i>-5.5pp</i> |
| Mobile Operations, Albania | 4.2 | 3.6 | +16.7% |
| <i>margin</i> | <i>20.5%</i> | <i>22.1%</i> | <i>-1.6pp</i> |
| Others | 13.3 | 17.7 | -24.9% |
| <i>margin</i> | <i>12.6%</i> | <i>14.9%</i> | <i>-2.3pp</i> |
| OTE Group | 309.3 | 326.0 | -5.1% |
| <i>margin</i> | <i>33.3%</i> | <i>34.7%</i> | <i>-1.4pp</i> |

OTE GROUP HIGHLIGHTS

OTE Group's consolidated revenues stood at €928.5mn in Q1'16, down 1.3% compared to Q1'15, a resilient performance in a testing economic and competitive environment.

Total Operating Expenses, excluding depreciation, amortization, impairments and charges related to voluntary retirement programs and restructuring costs, amounted to €627.9mn in Q1'16, down 0.5% compared to Q1'15. Personnel expenses were 7.1% lower, benefiting from the mid-2015 voluntary retirement scheme generating annual savings of over €30mn.

Together, Greek fixed and mobile Pro Forma EBITDA increased by 1% in the quarter, but was offset by the pressure on the Romanian operations. As a result, Group Pro Forma EBITDA declined by 5.1% in the first quarter to €309.3mn, yielding a 33.3% margin for the period.

Interest Expenses were down 8.8% in the quarter to €36.1mn, reflecting the lower Group net debt.

The Group's Income Tax expense stood at €37.4mn in Q1'16, down 8.8% compared to the previous year, reflecting lower Earnings Before Taxes. The increase in the effective tax rate primarily reflects losses in Romania, which did not trigger deferred tax assets.

Group Net Income stood at €33.9mn in Q1'16, down 16.1% compared to the previous year, mainly reflecting lower EBITDA, as well as the higher effective tax rate.

Capital Expenditures (excluding spectrum payments) amounted to €164.7mn in Q1'16, up 3.1%. Capex in Greek and Romanian fixed-line amounted to €87.3m and €26.0mn, respectively. In mobile operations, Capex stood at €47.8mn (Greece: €30.6mn, Romania: €9.9mn, Albania: €7.3mn), while an additional amount of €13.5mn related to spectrum acquisition in Greece was paid in the quarter.

In Q1'16, the Group's adjusted Free Cash Flow generation (including interest paid/received and excluding VRS, spectrum and restructuring-related payments) stood at €24.3mn, mainly due to lower EBITDA and to the payment rollover into Q1 of certain liabilities as a result of capital controls during the summer of 2015.

The Group's Underlying Net Debt was less than €0.9bn at March 31, 2016, down 24.9% compared to March 31, 2015. The Group's ratio of Underlying Net Debt to 12-month trailing Pro forma EBITDA stood at 0.6x.

OTE Group debt outstanding breaks down as follows:

| (€ mn) | Mar 31, 2016 | Mar 31, 2015 | Change | Dec 31, 2015 | Change |
|----------------------------|-----------------|-----------------|---------------|-----------------|--------------|
| Medium & Long-term: | | | | | |
| -Bonds | 2,073.0 | 2,014.3 | +2.9% | 2,072.7 | +0.0% |
| -Bank loans | 116.7 | 166.2 | -29.8% | 116.4 | +0.3% |
| Total Indebtedness | 2,189.7 | 2,180.5 | +0.4% | 2,189.1 | +0.0% |
| Cash and Cash equiv. | 1,329.7 | 1,037.0 | +28.2% | 1,322.5 | +0.5% |
| Net Debt | 860.0 | 1,143.5 | -24.8% | 866.6 | -0.8% |
| Other financial assets | 6.8 | 7.6 | -10.5% | 6.8 | +0.0% |
| Underlying Net Debt | 853.2 | 1,135.9 | -24.9% | 859.8 | -0.8% |

1. GREECE

FIXED-LINE OPERATIONS, GREECE ACCESS LINES

| | Mar 31, 2016 | Mar 31, 2015 | Change |
|---|------------------|------------------|---------------|
| PSTN connections | 2,230,403 | 2,382,137 | -6.4% |
| ISDN connections (BRA & PRA) | 296,804 | 326,240 | -9.0% |
| Other (MSAN & VoB) | 166,667 | 16,837 | 10x |
| OTE access line connections (incl. WLR) | 2,693,874 | 2,725,214 | -1.2% |
| OTE Retail access line connections (excl. WLR) | 2,680,117 | 2,699,125 | -0.7% |
| Total OTE Broadband active subscribers | 1,575,834 | 1,414,286 | +11.4% |
| OTE Broadband active retail subscribers | 1,543,813 | 1,393,999 | +10.7% |
| <i>of which OTE retail VDSL connections</i> | <i>167,943</i> | <i>107,342</i> | <i>+56.5%</i> |
| OTE TV Subscribers (IPTV & Satellite) | 458,269 | 366,846 | +24.9% |
| Unbundled local loops (active) | 2,053,754 | 2,039,607 | +0.7% |

In Q1'16, the total Greek access market (OTE active retail lines, Wholesale line rental connections and full LLU subscribers) added 1k lines. OTE fixed-line operations in Greece posted a limited net loss of 4k access lines.

In Q1'16, OTE achieved net additions of 37k retail broadband customers, or 58% of total market net additions, bringing the total number of OTE retail broadband subscribers to 1,544k. OTE's high-speed VDSL broadband service continues to achieve significant success, with net additions of 18k in the quarter. At quarter end, approximately 168k subscribers, or 11% of OTE's retail broadband base, had adopted its VDSL solution. With 535 local exchanges and around 5.1k cabinets in operation, OTE is well positioned to convert a significant part of its customer base to higher broadband speeds and improved services, thereby supporting ARPU. The continuing take up of the service in a challenging period for consumers, underscores the strong appetite for the premium VDSL service in which OTE has been substantially investing. OTE's wholesale VDSL offering also gained traction in Q1'16.

OTE achieved another quarter of growth in its TV offering. As at March 31, 2016, total TV subscribers amounted to 458k, a year-on-year increase of 25%. Together with the rise in subscriber numbers, higher ARPU enabled OTE's pay-TV operations to continue posting strong growth in the quarter. OTE continued to monetize the significant investments it is making in quality content, notably in popular sporting events, including the European football UEFA Champions League, UEFA Europa League, UK Premier League and Greek Cup.

OTE continued posting strong growth in its ICT services, with revenues up 16.6%. This strong performance was supported by the company's progress with private sector organizations, though the State projects (EU funded) are expected to gradually slow down this year.

SUMMARY FINANCIAL DATA – FIXED-LINE OPERATIONS, GREECE

| (€ mn) | Q1 '16 | Q1 '15 | Change |
|--|--------------|--------------|---------------|
| Revenues | 378.9 | 372.4 | +1.7% |
| - Retail Fixed Services | 220.6 | 214.0 | +3.1% |
| - Wholesale Fixed Services | 81.4 | 81.3 | +0.1% |
| - Other | 76.9 | 77.1 | -0.3% |
| Other income/(expense), net | 2.3 | 4.5 | -48.9% |
| EBITDA | 158.5 | 145.6 | +8.9% |
| EBITDA margin (%) | 41.8% | 39.1% | +2.7pp |
| Pro Forma EBITDA* | 161.1 | 149.1 | +8.0% |
| Pro Forma EBITDA*margin (%) | 42.5% | 40.0% | +2.5pp |
| Operating Income/(Loss) - EBIT | 76.0 | 73.3 | +3.7% |
| Voluntary Retirement (costs)/reversals | (2.6) | (3.5) | -25.7% |
| Depreciation & Amortization | (82.5) | (72.3) | +14.1% |

* Excluding impact of Voluntary Retirement Programs & Restructuring costs

Greek fixed-line revenues grew on a year-over-year basis for a sixth consecutive quarter, posting a 1.7% increase in Q1'16. Revenues from retail fixed services grew by 3.1% in the quarter, supported by strong performances in broadband, TV and ICT revenues, the result of ongoing network investments, customer experience improvements and commercial initiatives. Broadband Revenues were boosted by strong VDSL take-up in the quarter.

Total Greek fixed-line Operating Expenses, excluding depreciation, amortization and charges related to voluntary retirement programs and restructuring, amounted to €220.1mn in Q1'16, down 3.4% from Q1'15 reflecting lower device and maintenance costs. Personnel expenses remained unchanged in Greek fixed-line operations, due to the internal transfer to OTE SA of employees previously with the OTE Plus, OTE Investments subsidiaries, during 2015. Excluding this factor, personnel expenses would be down about 10%, reflecting the recent early retirement program. Management is focusing on additional areas of possible cost containment. In particular, efforts to reduce energy costs, which account for c. 5% of total operating expenses, through direct participation in the energy wholesale market, have been identified as a potential area of significant savings. Significant savings in printing and mailing costs, through outsourcing and active promotion of e-bill statements, have also been achieved.

Pro forma EBITDA increased by 8.0% to €161.1m in Q1'16, helped by revenue growth and cost reduction. As a result, pro forma EBITDA margin in Greek fixed-line operations increased by 250 basis points compared to Q1'15, to 42.5%.

**MOBILE OPERATIONS, GREECE
SUMMARY FINANCIAL & SUBSCRIBERS DATA**

| | Mar 31, 2016 | Mar 31, 2015 | Change |
|---|-------------------------|-------------------------|---------------|
| Mobile subscribers | 7,476,131 | 7,308,284 | +2.3% |
| <hr/> | | | |
| (€ mn) | Q1 '16 | Q1 '15 | Change |
| Service Revenues | 221.8 | 228.9 | -3.1% |
| Total Revenues | 276.9 | 293.7 | -5.7% |
| <hr/> | | | |
| Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs) | (185.3) | (193.9) | -4.4% |
| <hr/> | | | |
| Pro Forma EBITDA* | 91.9 | 100.4 | -8.5% |
| Pro Forma EBITDA margin (%) | 33.2% | 34.2% | -1pp |

* Excluding impact of Restructuring costs

As of the end of Q1'16, Cosmote provided mobile telephony services to 7.5mn customers in Greece, up 2.3% from March 31, 2015.

In Q1'16, service revenues declined by 3.1% (FY2015: -3.7%), a resilient performance taking into consideration the challenging economic and competitive environment in Greece. Total Revenues were down by 5.7%, as a result of a 13.5% drop in handset sales, mainly due to base effect impact due to Digital Solidarity, a state/EU funded program to promote data connectivity which ran in 2015.

In line with its strategy to develop its customer base, focusing on customer experience and high quality of services, Cosmote is investing in maintaining network superiority in terms of coverage and data speeds. In Q1'16, Cosmote further expanded its 4G footprint, now covering more than 83% of the Greek population, significantly ahead of competition. The company's 4G+ mobile broadband network is operational in Athens, Thessaloniki, and additional cities and tourism destinations across Greece.

Demand for mobile data usage continued to grow at a rapid pace in Q1'16, resulting in 43% growth in Cosmote data traffic compared to Q1'15, driven by handset Internet, as smartphone users now account for approximately 53% of Cosmote's active base.

In Q1'16, Cosmote Greece's blended AMOU dropped by 4.5% to 280 minutes, reflecting demand pressures. Blended ARPU for the same period was €11 down 4.4% from Q1'15, mainly due to usage.

2. ROMANIA

FIXED LINE OPERATIONS, ROMANIA SUMMARY FINANCIAL & SUBSCRIBERS DATA

| | Mar 31, 2016 | Mar 31, 2015 | Change |
|------------------------------------|--------------|--------------|---------|
| Voice Telephony Lines | 2,182,330 | 2,160,572 | +1.0% |
| Broadband subscribers | 1,195,923 | 1,217,571 | -1.8% |
| TV subscribers (DTH, IPTV & Cable) | 1,449,190 | 1,413,921 | +2.5% |
| FMC customers | 270,166 | 99,403 | +171.8% |

| (€ mn) | Q1 '16 | Q1 '15 | Change |
|------------------------------------|--------------|--------------|---------------|
| Revenues | 137.1 | 148.7 | -7.8% |
| - Retail Fixed Services | 78.9 | 86.5 | -8.8% |
| - Wholesale Fixed Services | 24.2 | 23.7 | +2.1% |
| - Mobile Revenues | 8.0 | 4.4 | +81.8% |
| - Other | 26.0 | 34.1 | -23.8% |
| Other income | 4.9 | 6.9 | -29.0% |
| EBITDA | 20.2 | 32.4 | -37.7% |
| EBITDA margin (%) | 14.7% | 21.8% | -7.1pp |
| Pro Forma EBITDA* | 20.5 | 32.8 | -37.5% |
| Pro Forma EBITDA margin (%) | 15.0% | 22.1% | -7.1pp |
| Operating Income/(loss) (EBIT) | (12.4) | (0.1) | - |
| Voluntary Retirement costs | (0.3) | (0.4) | -25.0% |
| Depreciation & Amortization | (32.6) | (32.5) | +0.3% |

* Excluding impact of Restructuring Plans

In Q1'16, revenues from Romanian fixed-line operations dropped 7.8% compared to Q1'15, primarily reflecting sharply lower voice revenues and timing of ICT projects implementation. Conversely, mobile revenues from fixed-mobile convergent solutions were up 82% as consumers adopt the convergent offering.

Compared to Q1'15, fixed voice revenues were 16% down, while broadband revenues dropped 4% and TV revenues were 1% lower. Year on year, the total number of FMC subscribers nearly tripled, while TV subscriber numbers maintained their growth, up 2.5%, and broadband subscriptions shrank 1.8%.

Total Romanian fixed-line Operating Expenses, excluding depreciation, amortization, charges related to voluntary retirement programs and restructuring, declined by €1.3mn in Q1'16 compared to Q1'15. The company maintained strict control of indirect costs and implemented several transformation projects.

Other income declined by 29% in Q1'16 compared to Q1'15, mainly due to lower income from asset disposals.

**MOBILE OPERATIONS, ROMANIA
SUMMARY FINANCIAL & SUBSCRIBERS DATA**

| | Mar 31, 2016 | Mar 31, 2015 | Change |
|---|-------------------------|-------------------------|---------------|
| Mobile subscribers | 5,653,791 | 5,887,075 | -4.0% |
| (€ mn) | Q1 '16 | Q1 '15 | Change |
| Service Revenues | 77.1 | 78.6 | -1.9% |
| Total Revenues | 113.0 | 103.2 | +9.5% |
| Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs) | (95.7) | (81.0) | +18.1% |
| Pro Forma EBITDA* | 18.3 | 22.4 | -18.3% |
| Pro Forma EBITDA margin (%) | 16.2% | 21.7% | -5.5pp |

* Excluding impact of restructuring costs

In Q1'16, Telekom Romania Mobile's total customer base decreased 4%, to 5.7mn, out of which 29% was postpaid. The number of business customers grew by 5.5% compared to Q1'15, reflecting the Company's targeted offers for professional users and synergies created following its rebranding, together with Telekom Romania Communications, under the Telekom name.

Blended ARPU increased by 2.7% in Q1'16 compared to Q1'15, due to higher incoming ARPU (traffic driven). Blended AMOU increased by 4.6%.

Total Operating Expenses, excluding depreciation, amortization, impairments and charges related to voluntary retirement programs and restructuring costs, stood 18% higher, reflecting mainly the higher cost of goods sold as a result of increased revenues from handsets and higher interconnection costs due to traffic patterns.

Deterioration of prepaid margin due to market competitiveness along with costs associated with the expansion of the Company's business customer base led to a decline in EBITDA.

3. ALBANIA

MOBILE OPERATIONS, ALBANIA SUMMARY FINANCIAL & SUBSCRIBERS DATA

| | Mar 31, 2016 | Mar 31, 2015 | <i>Change</i> |
|---|-----------------|-----------------|----------------------|
| Mobile subscribers | 1,705,525 | 2,063,396 | -17.3% |
| (€ mn) | Q1 '16 | Q1 '15 | <i>Change</i> |
| Service Revenues | 19.7 | 15.7 | +25.5% |
| Total Revenues | 20.5 | 16.3 | +25.8% |
| Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs) | (16.3) | (12.7) | +28.3% |
| Pro Forma EBITDA* | 4.2 | 3.6 | +16.7% |
| <i>Pro Forma EBITDA margin (%)</i> | 20.5% | 22.1% | -1.6pp |

* Excluding impact of Restructuring costs

As of the end Q1'16, Telekom Albania's customer base totaled 1.7mn subscribers, 17.3% down. This reflects the regulatory change in July 2015, which prohibited the differentiation between on/off net pricing and is transforming the market into a single-SIM play.

Telekom Albania posted a 30.6% increase in mobile handset data revenues in Q1'16 compared to the same period last year, fueled by the launch of LTE services in July'15 and by its competitive smartphone and service offering.

Retail regulation introduced in July 2015 further intensified competition in the Albanian market in Q4'15 and consequently affected Q1'16. In this context, Telekom Albania successfully managed to bolster its total revenues by 25.8% and service revenues by 25.5%, compared to Q1'15. In addition, new prepaid and postpaid tariff plans introduced in July led to higher incoming national and international traffic and an overall ARPU increase.

EBITDA performance in Q1'16, although negatively affected by increased interconnection costs, was higher by 16.7% compared to Q1'15, due to higher revenue performance and efficient cost management.

4. EVENTS OF THE QUARTER

TELEKOM ROMANIA SIGNS NATIONAL ROAMING AGREEMENT WITH ORANGE ROMANIA

On February 16, 2016, Telekom Romania announced its cooperation with Orange Romania, through an agreement for national roaming on Orange's 4G network. This will enhance Telekom Romania's market offerings to reach the best 4G coverage in the country. In addition, Telekom Romania has agreed to offer its FTTH/B urban network to Orange Romania on a wholesale basis. This will monetize TKR's infrastructure, increasing its utilization. The cooperation of the two leading Romanian operators will improve capital deployment and competitiveness in the country.

About OTE

The 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, Romania and Albania. 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 and professional training.

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

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Exhibits to follow:

- I. Consolidated Statements of Financial Position as of March 31, 2016 and December 31, 2015
- II. Consolidated Income Statements for the quarter ended March 31, 2016 and comparative 2015
- III. Consolidated Statement of Cash Flows for the quarter ended March 31, 2016 and comparative quarters
- IV. Free Cash Flow to Adjusted Free Cash Flow Reconciliation for the quarter ended March 31, 2016 and comparative quarters
- V. Group Revenues for the quarter ended March 31, 2016 and comparative 2015
- VI. Segment Reporting based on the Group's legal structure
- VII. Operational Highlights

EXHIBIT I – CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| (€ mn) | Mar 31, 2016 | Dec 31, 2015 |
|---|----------------|----------------|
| ASSETS | | |
| Property, plant and equipment | 2,895.1 | 2,950.6 |
| Goodwill | 506.6 | 506.4 |
| Telecommunication licenses | 532.0 | 543.0 |
| Other Intangible assets | 528.3 | 533.4 |
| Investments | 0.1 | 0.1 |
| Loans and advances to pension funds | 87.7 | 88.2 |
| Deferred tax assets | 346.7 | 339.8 |
| Other non-current assets | 96.2 | 88.4 |
| Total non - current assets: | 4,992.7 | 5,049.9 |
| Inventories | 105.2 | 97.2 |
| Trade receivables | 725.5 | 728.6 |
| Other financial assets | 6.8 | 6.8 |
| Other current assets | 261.3 | 252.4 |
| Restricted Cash | 3.3 | 2.8 |
| Cash and cash equivalents | 1,329.7 | 1,322.5 |
| Total current assets | 2,431.8 | 2,410.3 |
| TOTAL ASSETS | 7,424.5 | 7,460.2 |
| EQUITY AND LIABILITIES | | |
| Share capital | 1,387.1 | 1,387.1 |
| Share premium | 496.4 | 496.3 |
| Treasury shares | (14.7) | (14.7) |
| Statutory reserve | 357.3 | 357.3 |
| Foreign exchange and other reserves | (170.9) | (164.1) |
| Changes in non-controlling interests | (3,314.1) | (3,314.1) |
| Retained earnings | 3,543.1 | 3,509.2 |
| Total equity attributable to equity holders of the parent: | 2,284.2 | 2,257.0 |
| Non-controlling interests | 348.7 | 352.2 |
| Total equity | 2,632.9 | 2,609.2 |
| Long-term borrowings | 1,756.0 | 1,755.6 |
| Provision for staff retirement indemnities | 234.8 | 219.1 |
| Provision for Youth account | 156.8 | 157.2 |
| Deferred tax liabilities | 56.0 | 55.3 |
| Other non – current liabilities | 172.4 | 174.9 |
| Total non – current liabilities | 2,376.0 | 2,362.1 |
| Trade accounts payable | 1,102.7 | 1,202.5 |
| Short-term portion of long-term borrowings | 433.7 | 433.5 |
| Income tax payable | 49.6 | 30.4 |
| Deferred revenue | 143.3 | 150.9 |
| Provision for voluntary leave scheme | 140.5 | 140.7 |
| Dividends payable | 0.3 | 0.3 |
| Other current liabilities | 545.5 | 530.6 |
| Total current liabilities | 2,415.6 | 2,488.9 |
| Total liabilities | 4,791.6 | 4,851.0 |
| TOTAL EQUITY AND LIABILITIES | 7,424.5 | 7,460.2 |

EXHIBIT II – CONSOLIDATED INCOME STATEMENT

| (€ mn) | Q1 '16 | Q1 '15 | Change |
|---|----------------|----------------|---------------|
| Total Revenues | 928.5 | 940.8 | -1.3% |
| Other operating income | 8.7 | 16.1 | -46.0% |
| Interconnection & Roaming Costs | (120.9) | (107.5) | +12.5% |
| Provision for doubtful accounts | (21.3) | (22.3) | -4.5% |
| Personnel Costs | (161.8) | (174.2) | -7.1% |
| Cost related to Early Retirement Programs | (2.9) | (4.0) | -27.5% |
| Commission Costs | (35.5) | (35.9) | -1.1% |
| Merchandise Costs | (61.6) | (75.7) | -18.6% |
| Maintenance & Repairs | (26.7) | (24.3) | +9.9% |
| Marketing | (22.2) | (24.0) | -7.5% |
| Other OpEx | (178.9) | (169.0) | +5.9% |
| Depreciation & Amortization | (208.2) | (200.8) | +3.7% |
| Total Operating Expenses | (840.0) | (837.7) | +0.3% |
| Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs) | (627.9) | (630.9) | -0.5% |
| EBITDA | 305.4 | 320.0 | -4.6% |
| Pro forma EBITDA* | 309.3 | 326.0 | -5.1% |
| Operating Profit/(Loss) before financial activities (EBIT) | 97.2 | 119.2 | -18.5% |
| Interest and related Expenses | (36.1) | (39.6) | -8.8% |
| Interest Income | 0.6 | 0.8 | -25.0% |
| FX differences, net | 1.5 | 1.8 | -16.7% |
| Gains/ (losses) from investments and financial assets- impairment | 0.3 | (2.2) | - |
| Total Profit/(Loss) from financial activities | (33.7) | (39.2) | -14.0% |
| Profit/(Loss) before income taxes (EBT) | 63.5 | 80.0 | -20.6% |
| Income tax | (37.4) | (41.0) | -8.8% |
| Profit/(Loss) for the period | 26.1 | 39.0 | -33.1% |
| Owners of the parent | 33.9 | 40.4 | -16.1% |
| Non-controlling interests | (7.8) | (1.4) | - |

* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans

EXHIBIT III – CONSOLIDATED STATEMENT OF CASH FLOWS

| (€ mn) | Q1 '15 | Q2 '15 | Q3 '15 | Q4 '15 | Q1 '16 |
|--|----------------|----------------|----------------|----------------|----------------|
| Profit/(Loss) before tax from continuing operations | 80.0 | 17.8 | 88.3 | 60.4 | 63.5 |
| Adjustments for: | | | | | |
| Depreciation, amortization and impairment | 200.8 | 199.8 | 209.1 | 219.7 | 208.2 |
| Costs related to early retirement programs | 4.0 | 81.7 | 13.8 | 1.2 | 2.9 |
| Provision for staff retirement indemnities | 2.9 | 2.9 | 2.9 | 6.2 | 3.1 |
| Provision for youth account | 0.8 | 0.9 | 0.8 | (1.5) | 0.8 |
| Write down of inventories | 1.8 | 1.6 | 1.5 | 5.1 | 0.6 |
| Provision for doubtful accounts | 22.3 | 21.9 | 20.1 | 22.5 | 21.3 |
| Foreign exchange differences, net | (1.8) | 0.6 | 2.7 | 4.2 | (1.5) |
| Interest income | (0.8) | (0.7) | (0.5) | (0.4) | (0.6) |
| (Gains)/Losses from investments and financial assets - Impairments | 2.2 | (18.3) | 0.0 | 0.0 | (0.3) |
| Interest and related expenses | 39.6 | 36.0 | 35.7 | 46.1 | 36.1 |
| Working capital adjustments | (70.0) | (65.0) | (17.7) | 130.4 | (90.3) |
| Decrease/(increase) in inventories | (18.2) | (6.7) | 8.5 | (3.4) | (8.0) |
| Decrease/(increase) in accounts receivable | (70.3) | (94.9) | (79.6) | 39.4 | (40.3) |
| (Decrease)/increase in liabilities (except borrowings) | 18.5 | 36.6 | 53.4 | 94.4 | (42.0) |
| Plus/(Minus): | | | | | |
| Payment for Early Retirement Programs & voluntary leave scheme | (2.2) | (1.2) | (89.8) | (10.7) | (3.4) |
| Payment of staff retirement indemnities and youth account, net of employees' contributions | (8.0) | (9.6) | (3.8) | (5.9) | (3.9) |
| Interest and related expenses paid | (61.5) | (35.3) | (53.2) | (33.2) | (30.3) |
| Income taxes paid | (5.0) | (11.3) | (67.7) | (70.0) | (21.2) |
| Net Cash Flows from Operating Activities | 205.1 | 221.8 | 142.2 | 374.1 | 185.0 |
| Repayments of loans receivable | 3.0 | 2.6 | 1.7 | 1.6 | 1.7 |
| Purchase of property, plant and equipment and intangible assets | (228.2) | (139.6) | (141.6) | (149.0) | (178.2) |
| Decrease/(increase) in restricted cash | 0.6 | 0.0 | 1.4 | (0.3) | (0.5) |
| Interest received | 0.7 | 0.9 | 0.5 | 0.3 | 0.6 |
| Net Cash flows from/(used in) Investing Activities | (223.9) | (136.1) | (138.0) | (147.4) | (176.4) |
| Acquisition of treasury shares | 0.0 | 0.0 | (0.4) | 0.0 | 0.0 |
| Proceeds from loans granted and issued | 0.0 | 0.0 | 0.0 | 350.0 | 0.0 |
| Repayment of loans | (459.5) | (33.8) | 0.0 | (307.0) | 0.0 |
| Dividends paid to Company's owners | 0.0 | (0.4) | (39.0) | 0.0 | 0.0 |
| Net Cash flows from/(used in) Financing Activities | (459.5) | (34.2) | (39.4) | 43.0 | 0.0 |
| Net Increase/(decrease) in Cash and Cash Equivalents | (478.3) | 51.5 | (35.2) | 269.7 | 8.6 |
| Cash and Cash equivalents at beginning of period | 1,509.9 | 1,037.0 | 1,085.7 | 1,052.3 | 1,322.5 |
| Net foreign exchange differences | 5.4 | (2.8) | 1.8 | 0.5 | (1.4) |
| Cash and Cash Equivalents at the end of the period | 1,037.0 | 1,085.7 | 1,052.3 | 1,322.5 | 1,329.7 |
| OTE Group's total liquidity (Cash & Other Financial assets) | 1,044.6 | 1,092.3 | 1,059.0 | 1,329.3 | 1,336.5 |

EXHIBIT IV – FREE CASH FLOW TO ADJUSTED FREE CASH FLOW RECONCILIATION:

| (€ mn) | Q1 '15 | Q2 '15 | Q3 '15 | Q4 '15 | Q1 '16 |
|---|----------------|----------------|----------------|----------------|----------------|
| Net Operating Cash Flow (Reported) | 205.1 | 221.8 | 142.2 | 374.1 | 185.0 |
| <i>...adding back:</i> | | | | | |
| <i>Payments for early retirement and VES</i> | <i>2.2</i> | <i>1.2</i> | <i>89.8</i> | <i>10.7</i> | <i>3.4</i> |
| <i>Payments for Other Restructuring Costs</i> | <i>4.8</i> | <i>13.4</i> | <i>2.1</i> | <i>7.1</i> | <i>0.0</i> |
| <i>Interest received</i> | <i>0.7</i> | <i>0.9</i> | <i>0.5</i> | <i>0.3</i> | <i>0.6</i> |
| Adj. Net Operating Cash Flow | 212.8 | 237.3 | 234.6 | 392.2 | 189.0 |
| Total Group CapEx (Reported) | (228.2) | (139.6) | (141.6) | (149.0) | (178.2) |
| <i>...adding back:</i> | | | | | |
| <i>Spectrum Payments</i> | <i>68.4</i> | <i>8.4</i> | <i>0.0</i> | <i>11.9</i> | <i>13.5</i> |
| Adj. CapEx | (159.8) | (131.2) | (141.6) | (137.1) | (164.7) |
| Adjusted Free Cash Flow (Adj.) | 53.0 | 106.1 | 93.0 | 255.1 | 24.3 |

EXHIBIT V – GROUP REVENUES

| (€ mn) | Q1 '16 | Q1 '15 | Change |
|---|--------------|--------------|--------------|
| - Retail Fixed Services | 299.0 | 300.1 | -0.4% |
| - Wholesale Fixed Services | 149.2 | 147.6 | +1.1% |
| - Other (Fixed Services) | 75.0 | 80.8 | -7.2% |
| Total Revenues from Fixed Business | 523.2 | 528.5 | -1.0% |
| Service Revenues | 313.4 | 317.9 | -1.4% |
| Handset Revenues | 51.1 | 56.5 | -9.6% |
| Other (Mobile) | 4.5 | 4.4 | +2.3% |
| Total Revenues from Mobile | 369.0 | 378.8 | -2.6% |
| Other Revenues | 36.3 | 33.5 | +8.4% |
| Total Revenues | 928.5 | 940.8 | -1.3% |

EXHIBIT VI – SEGMENT REPORTING (Q1 2016)

| | OTE SA | Cosmote Group | Romania Fixed | All Other | Adjust. & Elimin. | Group Consolidated |
|--|----------------|----------------|----------------|---------------|-------------------|--------------------|
| Fixed Business: | | | | | | |
| Retail Services Revenues | 220.6 | 0.0 | 78.9 | 0.0 | (0.5) | 299.0 |
| Wholesale Services Revenues | 81.4 | 0.0 | 24.2 | 74.9 | (31.3) | 149.2 |
| Other Revenues (Fixed Business) | 54.5 | 7.5 | 14.6 | 0.8 | (2.4) | 75.0 |
| Total Revenues from Fixed Business | 356.5 | 7.5 | 117.7 | 75.7 | (34.2) | 523.2 |
| Mobile Business: | | | | | | |
| Service Revenues | 0.0 | 316.5 | 5.0 | 0.0 | (8.1) | 313.4 |
| Handset Revenues | 4.8 | 56.0 | 3.0 | 0.0 | (12.7) | 51.1 |
| Other Revenues | 0.0 | 23.9 | 0.0 | 0.0 | (19.4) | 4.5 |
| Mobile Business: | 4.8 | 396.4 | 8.0 | 0.0 | (40.2) | 369.0 |
| Other Revenues | 17.6 | 1.2 | 11.4 | 30.0 | (23.9) | 36.3 |
| Total Revenues | 378.9 | 405.1 | 137.1 | 105.7 | (98.3) | 928.5 |
| Other Operating Income/(expense) | 2.3 | 1.3 | 4.9 | 0.7 | (0.5) | 8.7 |
| Interconnection & Roaming Cost | (25.0) | (41.3) | (23.6) | (64.7) | 33.7 | (120.9) |
| Provision for doubtful accounts | (4.9) | (12.9) | (3.5) | 0.0 | 0.0 | (21.3) |
| Personnel Costs | (80.3) | (41.5) | (23.3) | (5.2) | (11.5) | (161.8) |
| Cost of Early Retirement Program | (2.6) | 0.0 | (0.3) | 0.0 | 0.0 | (2.9) |
| Commission Costs | (3.7) | (38.0) | (4.5) | 0.0 | 10.7 | (35.5) |
| Merchandise cost | (10.4) | (54.1) | (8.8) | (0.5) | 12.2 | (61.6) |
| Maintenance & Repairs | (9.8) | (9.1) | (8.0) | (0.2) | 0.4 | (26.7) |
| Marketing | (6.6) | (13.1) | (1.8) | 0.0 | (0.7) | (22.2) |
| Other OpEx | (79.4) | (83.0) | (48.0) | (22.5) | 54.0 | (178.9) |
| Total OpEx (ex-Depreciation) | (222.7) | (293.0) | (121.8) | (93.1) | 98.8 | (631.8) |
| EBITDA | 158.5 | 113.4 | 20.2 | 13.3 | 0.0 | 305.4 |
| EBITDA margin (%) | 41.8% | 28.0% | 14.7% | 12.6% | | 32.9% |
| Total Opex (ex Depreciation, VES & Restructuring costs) | (220.1) | (292.0) | (121.5) | (93.1) | 98.8 | (627.9) |
| EBITDA (Pro Forma)* | 161.1 | 114.4 | 20.5 | 13.3 | 0 | 309.3 |
| Pro Forma EBITDA margin (%) | 42.5% | 28.2% | 15.0% | 12.6% | | 33.3% |
| Depreciation & Amortization | (82.5) | (86.7) | (32.6) | (6.4) | 0.0 | (208.2) |
| EBIT | 76.0 | 26.7 | (12.4) | 6.9 | 0.0 | 97.2 |

*Excluding impact of Voluntary Retirement Programs and Restructuring Plans

EXHIBIT VI – SEGMENT REPORTING (Q1 2015)

| | OTE SA | Cosmote Group | Romania Fixed | All Other | Adjust. & Elim. | Group Consolidated |
|--|----------------|----------------|----------------|----------------|-----------------|--------------------|
| Fixed Business: | | | | | | |
| Retail Services Revenues | 214.0 | 0.0 | 86.5 | 0.0 | (0.4) | 300.1 |
| Wholesale Services Revenues | 81.3 | 0.0 | 23.7 | 68.7 | (26.1) | 147.6 |
| Other Revenues (Fixed Business) | 53.0 | 4.4 | 24.8 | 3.9 | (5.3) | 80.8 |
| Total Revenues from Fixed Business | 348.3 | 4.4 | 135.0 | 72.6 | (31.8) | 528.5 |
| Mobile Business: | | | | | | |
| Service Revenues | 0.0 | 321.9 | 2.1 | 0.0 | (6.1) | 317.9 |
| Handset Revenues | 5.7 | 64.4 | 2.3 | 0.0 | (15.9) | 56.5 |
| Other Revenues | 0.0 | 16.8 | 0.0 | 0.0 | (12.4) | 4.4 |
| Total Revenues from Mobile Business | 5.7 | 403.1 | 4.4 | 0.0 | (34.4) | 378.8 |
| Other Revenues | 18.4 | 1.3 | 9.3 | 46.1 | (41.6) | 33.5 |
| Total Revenues | 372.4 | 408.8 | 148.7 | 118.7 | (107.8) | 940.8 |
| Other Operating Income/(expense) | 4.5 | 0.7 | 6.9 | 4.9 | (0.9) | 16.1 |
| Interconnection & Roaming Costs | (24.0) | (30.7) | (20.6) | (58.4) | 26.2 | (107.5) |
| Provision for doubtful accounts | (5.1) | (14.0) | (3.2) | 0.0 | 0.0 | (22.3) |
| Personnel Costs | (80.3) | (37.5) | (24.2) | (21.6) | (10.6) | (174.2) |
| Cost of Early Retirement Programs | (3.5) | (0.1) | (0.4) | 0.0 | 0.0 | (4.0) |
| Commission Costs | (3.4) | (39.7) | (3.7) | (0.1) | 11.0 | (35.9) |
| Merchandise cost | (14.1) | (59.9) | (16.3) | (0.2) | 14.8 | (75.7) |
| Maintenance & Repairs | (13.2) | (7.7) | (8.6) | (0.1) | 5.3 | (24.3) |
| Marketing | (6.5) | (15.4) | (2.1) | (0.1) | 0.1 | (24.0) |
| Other OpEx | (81.2) | (80.2) | (44.1) | (25.4) | 61.9 | (169.0) |
| Total OpEx (ex-Depreciation) | (231.3) | (285.2) | (123.2) | (105.9) | 108.7 | (636.9) |
| EBITDA | 145.6 | 124.3 | 32.4 | 17.7 | 0.0 | 320.0 |
| EBITDA margin (%) | 39.1% | 30.4% | 21.8% | 14.9% | 0.0% | 34.0% |
| Total Opex (ex Depreciation, VES & Restructuring costs) | (227.8) | (283.1) | (122.8) | (105.9) | 108.7 | (630.9) |
| EBITDA (Pro Forma)* | 149.1 | 126.4 | 32.8 | 17.7 | 0.0 | 326.0 |
| Pro Forma EBITDA margin (%) | 40.0% | 30.9% | 22.1% | 14.9% | | 34.7% |
| Depreciation & Amortization | (72.3) | (89.7) | (32.5) | (6.3) | 0.0 | (200.8) |
| EBIT | 73.3 | 34.6 | (0.1) | 11.4 | 0.0 | 119.2 |

*Excluding impact of Voluntary Retirement Programs and Restructuring Plans

EXHIBIT VII – OPERATIONAL HIGHLIGHTS

| | Mar 31, 2016 | Mar 31, 2015 | Change |
|--|------------------|------------------|---------------|
| Fixed Line Operations, Greece | | | |
| PSTN connections | 2,230,403 | 2,382,137 | -6.4% |
| ISDN connections (BRA & PRA) | 296,804 | 326,240 | -9.0% |
| Other (MSAN & VoB) | 166,667 | 16,837 | 10x |
| OTE access line connections (incl. WLR) | 2,693,874 | 2,725,214 | -1.2% |
| OTE Retail access line connections (ex.WLR) | | | |
| | 2,680,117 | 2,699,125 | -0.7% |
| Total OTE Broadband active subscribers | 1,575,834 | 1,414,286 | +11.4% |
| OTE Broadband active retail subscribers | 1,543,813 | 1,393,999 | +10.7% |
| OTE TV Subscribers (IPTV & Satellite) | | | |
| | 458,269 | 366,846 | +24.9% |
| Unbundled local loops (active) | 2,053,754 | 2,039,607 | +0.7% |
| Employees | 8,609 | 8,921 | -3.5% |
| Fixed Line Operations, Romania | | | |
| Voice Telephony lines (Incl. CDMA & NGA Voice) | 2,182,330 | 2,160,572 | +1.0% |
| Broadband subs (Incl. CDMA BB & NGA BB) | 1,195,923 | 1,217,571 | -1.8% |
| TV subscribers (DTH, IPTV & Cable) | 1,449,190 | 1,413,921 | +2.5% |
| FMC subscribers | 270,166 | 99,403 | +171.8% |
| Employees | 5,887 | 6,018 | -2.2% |
| Mobile Operations | | | |
| Mobile subscribers, Greece | 7,476,131 | 7,308,284 | +2.3% |
| Mobile subscribers, Albania | 1,705,525 | 2,063,396 | -17.3% |
| Mobile subscribers, Romania | 5,653,791 | 5,887,075 | -4.0% |
| Employees | 6,642 | 6,694 | -0.8% |