

OTE GROUP REPORTS 2015 THIRD QUARTER RESULTS UNDER IFRS

- **Another quarter of solid Revenue performance:**
 - Greek fixed Revenues up, supported by strong Broadband & TV
 - Greek mobile Service Revenues extend the improving trend of prior quarters
- **Cost discipline driving robust Group EBITDA margin: 36.0%**
 - Greek fixed EBITDA margin at 41.7%
 - Resilient Greek mobile EBITDA margin: 39.6%
- **Strong Free Cash Flow generation continuing: €252mn in 9M'15, up 17.5%**
- **Net Debt below €1.1bn (0.8x EBITDA) despite heavy investments for future growth: Capex (ex-spectrum) up 2% in 9M'15 to €433mn**

ATHENS, Greece - November 5, 2015 - Hellenic Telecommunications Organization SA (ASE: HTO; OTC MARKET: HLTOY), the Greek full-service telecommunications provider, today announced consolidated results (prepared under IFRS) for the third quarter and nine months ended September 30, 2015.

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Revenues	971.3	987.6	-1.7%	2,865.6	2,901.9	-1.3%
EBITDA	335.3	367.4	-8.7%	890.5	1,041.1	-14.5%
Pro forma EBITDA*	350.1	371.1	-5.7%	994.5	1,050.7	-5.3%
<i>Pro forma EBITDA margin (%)</i>	36.0%	37.6%	-1.6pp	34.7%	36.2%	-1.5pp
Net Income	78.3	69.1	+13.3%	115.1	194.2	-40.7%
Basic EPS (€)	0.1602	0.1411	+13.5%	0.2355	0.3982	-40.9%
Adj. Net Operating Cash Flow **	234.6	277.2	-15.4%	684.7	638.5	+7.2%
Adj. CapEx **	141.6	149.8	-5.5%	432.6	424.0	+2.0%
Adj. Free Cash Flow**	93.0	127.4	-27.0%	252.1	214.5	+17.5%
Cash & Other financial assets	1,059.0	1,314.3	-19.4%	1,059.0	1,314.3	-19.4%
Net Debt (Underlying)	1,090.5	1,427.4	-23.6%	1,090.5	1,427.4	-23.6%

* 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 third quarter of 2015, Michael Tsamaz, Chairman & CEO, noted: "In a context that remains tough, we are very pleased with the good quarter we delivered in Greece. Fixed-line revenues were up, with solid growth in retail fixed services, as increases in TV and broadband revenues for the first time more than offset lower voice revenues. The drop in Greek mobile service revenue narrowed once again. These performances vindicate our decision to continue investing heavily all these years, to provide the best technology and customer service, an achievement that we are now celebrating with the rebranding under the Cosmote name of all our customer-facing operations in Greece. In Romania, as we have stated before, conditions are still challenging, but we expect our investments to start paying off in the latter part of the coming year."

Mr. Tsamaz added: "Despite further investment for growth and slower cash generation following the bank holiday in Greece, we remain on track to achieve our full-year free cash flow target as conditions continue to stabilize. We should therefore end the year in solid shape to support the growth of our operations in the countries in which we operate."

Outlook

For the remaining of 2015, OTE expects similar trends to persist in the Greek business and continuing competitive pressures in the international operations.

Greek performance could however be impacted by growing tax demands, and hence a possible decline in disposable income, on consumers and businesses alike. Results will continue to benefit from cost-containment efforts, notably the recently completed voluntary retirement plans. OTE's CapEx should total approximately €0.5bn, excluding spectrum. Assuming reasonable liquidity conditions in the Greek economy and a normalization in its working capital, OTE maintains its free cash flow target of approximately €0.5bn for 2015 (excluding spectrum and VRS).

BREAKDOWN OF GROUP REVENUES

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Fixed Line Operations, Greece	377.3	376.4	+0.2%	1,123.9	1,119.5	+0.4%
Mobile Operations, Greece	319.1	329.4	-3.1%	915.9	936.9	-2.2%
Fixed Line Operations, Romania	143.5	151.3	-5.2%	442.7	457.7	-3.3%
Mobile Operations, Romania	109.2	107.0	+2.1%	317.4	326.8	-2.9%
Mobile Operations, Albania	22.0	21.3	+3.3%	55.6	61.1	-9.0%
Others	111.4	111.5	-0.1%	340.4	315.5	+7.9%
Eliminations (Mobile & Group)	(111.2)	(109.3)	+1.7%	(330.3)	(315.6)	+4.7%
TOTAL	971.3	987.6	-1.7%	2,865.6	2,901.9	-1.3%
Other income/ (expense), net	11.3	16.7	-32.3%	36.7	43.0	-14.7%

BREAKDOWN OF GROUP PRO FORMA EBITDA

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Fixed Line Operations, Greece	157.2	150.8	+4.2%	450.3	432.5	+4.1%
<i>margin</i>	<i>41.7%</i>	<i>40.1%</i>	<i>+1.6pp</i>	<i>40.1%</i>	<i>38.6%</i>	<i>+1.5pp</i>
Mobile Operations, Greece	126.5	133.7	-5.4%	336.8	355.4	-5.2%
<i>margin</i>	<i>39.6%</i>	<i>40.6%</i>	<i>-1pp</i>	<i>36.8%</i>	<i>37.9%</i>	<i>-1.1pp</i>
Fixed Line Operations, Romania	23.9	35.0	-31.7%	82.8	118.4	-30.1%
<i>margin</i>	<i>16.7%</i>	<i>23.1%</i>	<i>-6.4pp</i>	<i>18.7%</i>	<i>25.9%</i>	<i>-7.2pp</i>
Mobile Operations, Romania	24.4	25.5	-4.3%	69.7	78.1	-10.8%
<i>margin</i>	<i>22.3%</i>	<i>23.8%</i>	<i>-1.5pp</i>	<i>22.0%</i>	<i>23.9%</i>	<i>-1.9pp</i>
Mobile Operations, Albania	4.6	7.6	-39.5%	10.9	21.4	-49.1%
<i>margin</i>	<i>20.9%</i>	<i>35.7%</i>	<i>-14.8pp</i>	<i>19.6%</i>	<i>35.0%</i>	<i>-15.4pp</i>
Others	13.7	18.4	-25.5%	44.5	44.8	-0.7%
<i>margin</i>	<i>12.3%</i>	<i>16.5%</i>	<i>-4.2pp</i>	<i>13.1%</i>	<i>14.2%</i>	<i>-1.1pp</i>
Eliminations (Mobile & Group)	(0.2)	0.1	-	(0.5)	0.1	-
Group OTE	350.1	371.1	-5.7%	994.5	1,050.7	-5.3%
<i>margin</i>	<i>36.0%</i>	<i>37.6%</i>	<i>-1.6pp</i>	<i>34.7%</i>	<i>36.2%</i>	<i>-1.5pp</i>

OTE GROUP HIGHLIGHTS

OTE Group posted another resilient top-line performance in Q3'15, supported by further improvement in its Greek fixed and mobile operations, despite the country's tough economic conditions. Greek fixed-line revenues were up by 0.2%, posting a fourth consecutive quarter of year-over-year increase. Greek mobile service revenues were down 3.3%, continuing the improving trend of previous quarters (Q2'15: -4.6%, Q1'15: -4.9%).

In Romania, revenues from mobile operations rose by 2.1%, posting a second consecutive quarter of growth following the anniversary of mobile termination rate cuts in April 2014. Romanian fixed-line revenues were down by 5.2% in Q3'15, mainly due to lower wholesale revenues.

Despite competitive and regulatory pressures, Telekom Albania achieved a significant turnaround in its top-line performance, with service revenues up 4.4%.

Other revenues, representing 11% of OTE Group revenues, were unchanged year over year, at €111.4mn.

Total Operating Expenses, excluding depreciation, amortization, impairments and charges related to voluntary retirement programs and restructuring costs, amounted to €632.5mn in Q3'15, nearly unchanged compared to Q3'14. In the quarter, the Group interconnection and roaming expenses rose by 8.0% due to higher seasonal wholesale traffic at OTE Globe. Conversely, following the successful completion at the end of the second quarter of an additional voluntary exit scheme aimed at generating annual personnel cost savings of more than €30mn, personnel costs were down 3% at the OTE Group level.

Group Pro Forma EBITDA declined by 5.7% in the third quarter to €350.1mn, resulting in a 36.0% pro forma EBITDA margin in the period. This largely reflects lower profitability in the Romanian fixed business, largely due to a high base of comparison from significant disposal of real estate assets and copper in Q3'14. Pro Forma EBITDA in OTE Group's international business is under pressure from increased competitive pressures. Through both network and commercial investments throughout all operations, the Group is focusing on initiatives to restore future performance.

Interest Expenses were down 47.5% in the quarter to €35.7mn, reflecting lower Group net debt. In addition, in Q3'14, OTE had incurred a €21mn charge related to bond buybacks.

The Group's Income Tax expense was €20.7mn in Q3'15, compared to €34.4mn a year ago. Q3'15 was positively impacted by €29.4mn from the re-assessment of the Group's deferred tax position due to the tax rate change in Greece from 26% to 29%.

Group Net Income stood at €78.3mn in Q3'15, up 13.3% compared to the previous year, reflecting the positive impact of the re-assessment of the Group's deferred tax position.

Capital Expenditures amounted to €141.6mn in Q3'15, down 5.5% from a high base in Q3'14, when the expansion of the fiber network in Romania had required significant outlays. Capex in Greek and Romanian fixed-line amounted to €66.8m and €21.2mn, respectively. In mobile operations, total Capex stood at €50.1mn.

In Q3'15, the Group's adjusted Free Cash Flow generation (including interest received and excluding VRS, spectrum and restructuring-related payments) was strong despite higher working capital requirements in a period of severe liquidity restrictions in the Greek economy. In 9M'15, the Group's adjusted Free Cash Flow totaled €252.1mn, up 17.5% compared to 9M'14.

The Group's Underlying Net Debt stood just below €1.1bn at September 30, 2015, down 23.6% compared to September 30, 2014. The Group's ratio of Underlying Net Debt to 12-month trailing Pro forma EBITDA stood at 0.8x.

OTE Group debt outstanding breaks down as follows:

(€ mn)	Sep 30, 2015	Dec 31, 2014	Change	Sep 30, 2014	Change
Short-Term:					
-Bank loans	0.0	0.0	-	0.0	-
Medium & Long-term:					
-Bonds	2,016.5	2,472.6	-18.4%	2,564.8	-21.4%
-Bank loans	133.0	165.9	-19.8%	176.9	-24.8%
Total Indebtedness	2,149.5	2,638.5	-18.5%	2,741.7	-21.6%
Cash and Cash equiv.	1,052.3	1,509.9	-30.3%	1,310.1	-19.7%
Net Debt	1,097.2	1,128.6	-2.8%	1,431.6	-23.4%
Other financial assets	6.7	3.7	+81.1%	4.2	+59.5%
Underlying Net Debt	1,090.5	1,124.9	-3.1%	1,427.4	-23.6%

**1. GREECE****FIXED-LINE OPERATIONS, GREECE
ACCESS LINES**

	Sep 30, 2015	Sep 30, 2014	Change
PSTN connections	2,343,579	2,435,562	-3.8%
ISDN connections (BRA & PRA)	315,282	339,277	-7.1%
Other (MSAN & VoB)	37,169	13,104	+183.6%
OTE access line connections (incl. WLR)	2,696,030	2,787,943	-3.3%
<i>Of which Wholesale line rental (WLR) connections</i>	<i>20,031</i>	<i>39,178</i>	<i>-48.9%</i>
OTE Retail access line connections (excl. WLR)	2,675,999	2,748,765	-2.6%
Total OTE Broadband active subscribers	1,481,623	1,358,841	+9.0%
OTE Broadband active retail subscribers	1,459,347	1,334,894	+9.3%
OTE TV Subscribers (IPTV & Satellite)	413,602	320,578	+29.0%
Unbundled local loops (active)	2,040,328	1,984,977	+2.8%

In Q3'15, the total Greek access market (OTE active retail lines, Wholesale line rental connections and full LLU subscribers) lost 16k lines. OTE fixed-line operations in Greece posted a net loss of 14k access lines, a second consecutive quarter of significantly lower losses compared to the prior year trends.

In Q3'15, OTE achieved net additions of 31k retail broadband customers, or 68% of total market net additions, bringing the total number of OTE retail broadband subscribers to 1,459k. OTE's high-speed VDSL broadband service had been adopted by more than 132k subscribers by the end of the quarter. OTE is activating new local exchanges and installing new cabinets to retain customers or upsell to its base and support customer ARPU. OTE's VDSL offerings and ongoing efforts to improve customer experience are the major drivers of its growing market share of broadband net additions in a highly competitive environment.

OTE achieved particularly solid growth in its TV offering. As of September 30, 2015, total TV subscribers amounted to 414k, an increase of 36k in the quarter, more than three times the number of net additions recorded in the previous quarter. The acquisition of three-year broadcasting rights for European football UEFA Champions League and UEFA Europa League contributed to the rapid increase of OTE TV subscriber numbers in the quarter.

SUMMARY FINANCIAL DATA – FIXED-LINE OPERATIONS, GREECE

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Revenues	377.3	376.4	+0.2%	1,123.9	1,119.5	+0.4%
- Retail Fixed Services	219.0	217.1	+0.9%	648.7	647.8	+0.1%
- Wholesale Fixed Services	85.7	82.1	+4.4%	248.7	246.8	+0.8%
- Other	72.6	77.2	-6.0%	226.5	224.9	+0.7%
Other income/(expense), net	4.0	1.5	-	10.3	2.2	-
EBITDA	156.6	150.8	+3.8%	371.2	432.5	-14.2%
<i>EBITDA margin (%)</i>	41.5%	40.1%	+1.4pp	33.0%	38.6%	-5.6pp
Pro Forma EBITDA*	157.2	150.8	+4.2%	450.3	432.5	+4.1%
Pro Forma EBITDA*margin (%)	41.7%	40.1%	+1.6pp	40.1%	38.6%	+1.5pp
Operating Income/(Loss) - EBIT	77.9	82.0	-5.0%	150.0	225.3	-33.4%
Voluntary Retirement (costs)/reversals	(0.6)	0.0	-	(79.1)	0.0	-
Depreciation & Amortization	(78.7)	(68.8)	+14.4%	(221.2)	(207.2)	+6.8%

* Excluding impact of Voluntary Retirement Programs & Restructuring costs

Following several years of quarterly revenue contraction, Greek fixed-line revenues were up for a fourth consecutive quarter in Q3'15. Revenues from retail fixed services grew by 1% in the quarter, supported by strong performances in broadband and TV, the result of ongoing network investments, customer experience improvements and commercial initiatives.

Total Greek fixed-line Operating Expenses, excluding depreciation, amortization and charges related to voluntary retirement programs and restructuring, amounted to €224.1mn in Q3'15, down 1.3% from Q3'14. Personnel expenses were up 5.2% in Greek fixed-line operations, entirely due to the transfer to OTE SA of OTE Plus and Voicenet employees, starting in Q1'15; this was offset by a decrease in third party fees as well as in maintenance and repair expenses. Additionally, savings from the recently completed early retirement program started to benefit OTE's profitability.

As a result, pro forma EBITDA margin further improved in Greek fixed-line operations, reaching 41.7%, a 160 basis point improvement compared to Q3'14, continuing the gradual margin improvement this year. Consequently, pro forma EBITDA increased by 4.2% to €157.2m over this period. This reflects the strong top line in this business segment, coupled with the benefit of cost controls.

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

	Sep 30, 2015	Sep 30, 2014	Change
Mobile subscribers	7,427,281	7,335,833	+1.2%

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Service Revenues	260.4	269.2	-3.3%	732.9	765.3	-4.2%
Total Revenues	319.1	329.4	-3.1%	915.9	936.9	-2.2%
Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs)	(192.8)	(197.4)	-2.3%	(580.1)	(583.7)	-0.6%
Pro Forma EBITDA*	126.5	133.7	-5.4%	336.8	355.4	-5.2%
Pro Forma EBITDA margin (%)	39.6%	40.6%	-1pp	36.8%	37.9%	-1.1pp

* Excluding impact of Restructuring costs

As of the end of Q3'15, Cosmote provided mobile telephony services to 7.4mn customers in Greece, up 1.2% from September 30, 2014.

In Q3'15, the rate of service revenue decline at Cosmote Greece was 3.3%, an improvement from the prior quarter (Q2'15: -4.6%), despite pressure on ARPU due to macroeconomic uncertainty.

In line with its strategy to fully protect and grow 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 Q3'15, Cosmote further expanded its 4G footprint, now covering approximately 80% of the Greek population, significantly ahead of its nearest competitor. The company has already launched a 4G+ mobile broadband network not only in Athens and Thessaloniki, but also in additional cities and tourism destinations across Greece.

Demand for handset mobile data usage continued to grow at a rapid pace in Q3'15, resulting in +93% growth in Cosmote data traffic compared to the same quarter last year, reflecting the network's high-speed capabilities as well as growing smartphone uptake.

In Q3'15, Cosmote Greece's blended AMOU dropped by 5.5% to 304 minutes. Blended ARPU for the same period was €12.5, down 3.1% from Q3'14.

2. ROMANIA
**FIXED LINE OPERATIONS, ROMANIA
SUMMARY FINANCIAL & SUBSCRIBERS DATA**

	Sep 30, 2015	Sep 30, 2014	Change
Voice Telephony Lines (Incl. CDMA)	2,161,702	2,166,417	-0.2%
Broadband subscribers (Incl. CDMA BB)	1,201,173	1,237,638	-2.9%
TV subscribers (DTH, IPTV& Cable)	1,431,761	1,396,973	+2.5%

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Revenues	143.5	151.3	-5.2%	442.7	457.7	-3.3%
- Retail Fixed Services	82.4	90.2	-8.6%	252.3	273.1	-7.6%
- Wholesale Fixed Services	26.4	29.2	-9.6%	78.4	86.2	-9.0%
- Other	34.7	31.9	+8.8%	112.0	98.4	+13.8%
Other income	6.9	12.9	-46.5%	20.3	37.4	-45.7%
EBITDA	11.7	32.7	-64.2%	68.8	114.6	-40.0%
<i>EBITDA margin (%)</i>	8.2%	21.6%	-13.4pp	15.5%	25.0%	-9.5pp
Pro Forma EBITDA*	23.9	35.0	-31.7%	82.8	118.4	-30.1%
Pro Forma EBITDA margin (%)	16.7%	23.1%	-6.4pp	18.7%	25.9%	-7.2pp
Operating Income/(loss) (EBIT)	(24.1)	0.7	-	(34.1)	7.2	-
Voluntary Retirement costs	(12.2)	(2.3)	-	(14.0)	(3.8)	-
Depreciation & Amortization	(35.8)	(32.0)	+11.9%	(102.9)	(107.4)	-4.2%

* Excluding impact of Restructuring Plans

In Q3'15, revenues for Romanian fixed-line operations were down 5% compared to Q3'14, impacted by the continuing sharp decline in voice revenues (-16%). Partially offsetting this trend, mobile revenues more than trebled in the quarter, reflecting the appeal of its fixed-mobile convergent offers, as the number of customers choosing integrated offers rose by 28% compared to Q2'15. At the end of Q3'15, the total number of TV subscribers was up 2.5% compared to September 30, 2014, while the number of Internet subscribers dropped 2.9% over the same period.

Total Romanian fixed-line Operating Expenses, excluding depreciation, amortization, charges related to voluntary retirement programs and restructuring decreased by 2% in Q3'15 compared to Q3'14.

Other income, primarily from disposal of real estate and copper, declined by 46% in Q3'15 compared to Q3'14, negatively impacting Romanian fixed-line EBITDA, which suffered a second quarter of steep decline.

Telekom Romania has been investing in expanding its last-mile fiber investments putting itself ahead of the competition in the market. At the same time, the new bundled offers under the T brand are a unique market proposition. The combination of investments in networks and commercial presence are expected to improve the company's market position over time.

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

	Sep 30, 2015	Sep 30, 2014	Change			
Mobile subscribers	5,716,156	5,889,705	-2.9%			
(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Service Revenues	80.1	82.3	-2.7%	236.7	256.4	-7.7%
Total Revenues	109.2	107.0	+2.1%	317.4	326.8	-2.9%
Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs)	(85.1)	(81.7)	+4.2%	(248.8)	(249.4)	-0.2%
Pro Forma EBITDA*	24.4	25.5	-4.3%	69.7	78.1	-10.8%
Pro Forma EBITDA margin (%)	22.3%	23.8%	-1.5pp	22.0%	23.9%	-1.9pp

* Excluding impact of restructuring costs

In Q3'15, Telekom Romania Mobile's total customer base stood at 5.7mn, of which 29% was postpaid. The number of business customers grew by 7.7% compared to Q3'14, reflecting the company's targeted offers for professional users and synergies created following the company's rebranding, together with Telekom Romania Communications, under the "Telekom" name.

Blended ARPU increased by 0.9% in Q3'15 compared to Q3'14, due to higher incoming ARPU, while blended AMOU was slightly lower (-1.7%).

Higher expenses related to interconnection and distribution led to a decline in EBITDA. However the rate of decline moderated despite intense pricing and marketing pressures in the market.

3. ALBANIA

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

	Sep 30, 2015	Sep 30, 2014	Change			
Mobile subscribers	1,995,785	2,042,144	-2.3%			
(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Service Revenues	21.4	20.5	+4.4%	53.6	59.1	-9.3%
Total Revenues	22.0	21.3	+3.3%	55.6	61.1	-9.0%
Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs)	(17.4)	(13.8)	+26.1%	(44.7)	(39.8)	+12.3%
Pro Forma EBITDA*	4.6	7.6	-39.5%	10.9	21.4	-49.1%
Pro Forma EBITDA margin (%)	20.9%	35.7%	-14.8pp	19.6%	35.0%	-15.4pp

* Excluding impact of Restructuring costs

At the end of Q3'15, Telekom Albania's customer base totaled 2mn subscribers, as the company successfully maintained its position in the highly competitive Albanian telecommunications market.

Telekom Albania posted a 20% increase in mobile handset data revenues in Q3'15 compared to the same period last year, fueled by its expanded 3G network, with population coverage at 96%, and by its competitive smartphone and service offering.

Wholesale regulation introduced in December 2014 and retail regulation introduced in July 2015, further intensified competition in the Albanian market in Q3'15. In this context, Telekom Albania's successfully bolstered total revenues by 3.3% and service revenues by 4.4%, compared to Q3'14.

4. EVENTS OF THE QUARTER

INCOME TAX

Pursuant to Greek Law 4334/2015 of July 16, 2015, the income tax rate of legal entities in Greece was raised from 26% to 29% and the income tax prepayment was raised from 80% to 100%, effective January 1, 2015. The change in the tax rate had a positive effect on the income tax of the Group and the Company, of €29.4mn and €19.3mn, respectively, recorded in the income statement for the third quarter of 2015.

REBRANDING OF AMC

On July 22, 2015, after the necessary approvals, AMC was renamed Telekom Albania

OTE AND COSMOTE TO ADOPT COMMON BRAND

On September 24, 2015, OTE Group announced that it would operate under a uniform commercial brand, aiming to optimize customer experience. Uniting the forces of OTE and COSMOTE, the new COSMOTE brand, with a fresh and modern logo which gives prominence to OTE, will soon feature on all the Group's fixed, mobile and internet products and services.

5. SUBSEQUENT EVENTS

OTE TO PROVIDE & RUN COCA COLA HBC'S DATA CENTER

On October 22, 2015, Coca-Cola HBC, a leading Coca-Cola bottler, and OTE announced their partnership following a global tender. With an investment of €43mn, Coca-Cola HBC selected OTE to provide and run its data center in Greece, servicing business transactions for more than 36,000 employees in the 28 countries where Coca-Cola HBC is present. This agreement to build and operate one of the three largest data centers in EMEA is one of OTE Group's largest private sector projects.



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.

Consisting of the parent company OTE S.A. and its subsidiaries, the Group offers fixed-line (voice, broadband, data and leased lines), TV and mobile telephony services in Greece and Romania, as well as mobile telephony services in Albania. The Group is also involved in a range of activities in Greece, notably in real-estate and professional training.

OTE is listed on the Athens Stock Exchange and the London Stock Exchange. Following OTE's delisting from the NYSE, OTE's ADSs (American Depositary Shares) trade in the OTC (Over the Counter) market under the ticker HLTOY through the Level I ADSs program.

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

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Exhibits to follow:

- I. Consolidated Balance Sheets as of September 30, 2015 and December 31, 2014
- II. Consolidated Income Statements for the quarter and nine months ended September 30, 2015 and comparative 2014
- III. Consolidated Statement of Cash Flows for the quarter ended September 30, 2015, and comparative quarters
- IV. Free Cash Flow to Adjusted Free Cash Flow Reconciliation for the quarter ended September 30, 2015, and comparative quarters
- V. Group Revenues for the quarter and nine months ended September 30, 2015 and comparative 2014
- VI. Segment Reporting based on the Group's legal structure
- VII. Operational Highlights

EXHIBIT I – CONSOLIDATED BALANCE SHEET

(€ mn)	Sep 30, 2015	Dec 31, 2014
ASSETS		
Property, plant and equipment	2,921.1	3,103.3
Goodwill	507.3	505.9
Telecommunication licenses	561.1	575.4
Other Intangible assets	554.2	568.2
Investments	0.1	0.2
Loans and advances to pension funds	88.7	104.4
Deferred tax assets	360.4	360.0
Other non-current assets	77.9	93.0
Total non - current assets:	5,070.8	5,310.4
Inventories	100.3	87.9
Trade receivables	771.4	684.9
Other financial assets	6.7	3.7
Other current assets	277.8	203.0
Restricted Cash	2.5	4.5
Cash and cash equivalents	1,052.3	1,509.9
Total current assets	2,211.0	2,493.9
TOTAL ASSETS	7,281.8	7,804.3
EQUITY AND LIABILITIES		
Share capital	1,387.1	1,387.1
Share premium	496.2	496.7
Treasury shares	(14.7)	(14.8)
Statutory reserve	352.7	352.7
Foreign exchange and other reserves	(161.4)	(186.6)
Changes in non-controlling interests	(3,314.1)	(3,314.1)
Retained earnings	3,477.0	3,401.0
Total equity attributable to equity holders of the parent:	2,222.8	2,122.0
Non-controlling interests	365.6	376.4
Total equity	2,588.4	2,498.4
Long-term borrowings	1,481.8	2,173.1
Provision for staff retirement indemnities	224.7	244.6
Provision for Youth account	166.4	188.8
Deferred tax liabilities	61.0	60.3
Other non – current liabilities	174.0	204.2
Total non – current liabilities	2,107.9	2,871.0
Trade accounts payable	998.0	998.4
Short-term portion of long-term borrowings	667.7	465.4
Income tax payable	74.7	46.4
Deferred revenue	145.7	143.0
Provision for voluntary leave scheme	146.6	142.9
Dividends payable	0.3	0.5
Other current liabilities	552.5	638.3
Total current liabilities	2,585.5	2,434.9
Total liabilities	4,693.4	5,305.9
TOTAL EQUITY AND LIABILITIES	7,281.8	7,804.3



EXHIBIT II – CONSOLIDATED INCOME STATEMENT

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
Total Revenues	971.3	987.6	-1.7%	2,865.6	2,901.9	-1.3%
Other operating income	11.3	16.7	-32.3%	36.7	43.0	-14.7%
Interconnection & Roaming Costs	(126.0)	(116.7)	+8.0%	(354.0)	(337.2)	+5.0%
Provision for doubtful accounts	(20.1)	(21.1)	-4.7%	(64.3)	(63.2)	+1.7%
Personnel Costs	(166.7)	(171.5)	-2.8%	(514.0)	(526.1)	-2.3%
Cost of Early Retirement Programs	(13.8)	(2.7)	-	(99.5)	(5.4)	-
Commission Costs	(37.0)	(35.0)	+5.7%	(109.8)	(108.5)	+1.2%
Device Costs	(61.1)	(67.2)	-9.1%	(200.1)	(197.6)	+1.3%
Maintenance & Repairs	(26.8)	(26.2)	+2.3%	(76.5)	(73.9)	+3.5%
Marketing	(24.3)	(27.9)	-12.9%	(79.2)	(81.9)	-3.3%
Other OpEx	(171.5)	(168.6)	+1.7%	(514.4)	(510.0)	+0.9%
Depreciation & Amortization	(209.1)	(197.2)	+6.0%	(609.7)	(592.7)	+2.9%
Total Operating Expenses	(856.4)	(834.1)	+2.7%	(2,621.5)	(2,496.5)	+5.0%
Total OpEx (ex- D&A, Impairments, VES & Restructuring Costs)	(632.5)	(633.2)	-0.1%	(1,907.8)	(1,894.2)	+0.7%
EBITDA	335.3	367.4	-8.7%	890.5	1,041.1	-14.5%
Pro forma EBITDA*	350.1	371.1	-5.7%	994.5	1,050.7	-5.3%
Operating Profit/(Loss) before financial activities (EBIT)	126.2	170.2	-25.9%	280.8	448.4	-37.4%
Interest Expense	(35.7)	(68.0)	-47.5%	(111.3)	(161.9)	-31.3%
Interest Income	0.5	1.8	-72.2%	2.0	5.0	-60.0%
FX differences, net	(2.7)	0.8	-	(1.5)	0.7	-
Impairment of investments and other financial assets	0.0	0.0	-	(19.9)	0.0	-
Gains/(Losses) from investments and financial assets	0.0	0.0	-	36.0	0.1	-
Total Profit/(Loss) from financial activities	(37.9)	(65.4)	-42.0%	(94.7)	(156.1)	-39.3%
Profit/(Loss) before income taxes (EBT)	88.3	104.8	-15.7%	186.1	292.3	-36.3%
Income tax	(20.7)	(34.4)	-39.8%	(87.5)	(95.3)	-8.2%
Profit/(Loss) for the period from continuing operations	67.6	70.4	-4.0%	98.6	197.0	-49.9%
Owners of the parent	78.3	69.1	+13.3%	115.1	194.2	-40.7%
Non-controlling interests	(10.7)	1.3	-	(16.5)	2.8	-

* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans



EXHIBIT III – CONSOLIDATED STATEMENT OF CASH FLOWS

(€ mn)	Q3 '14	Q4 '14	Q1 '15	Q2 '15	Q3 '15
Profit/(Loss) before tax from continuing operations	104.8	103.1	80.0	17.8	88.3
Adjustments for:					
Depreciation, amortization and impairment	197.2	203.7	200.8	199.8	209.1
Costs related to early retirement programs	2.7	3.0	4.0	81.7	13.8
Provision for staff retirement indemnities	2.3	2.4	2.9	2.9	2.9
Provision for youth account	0.6	(1.0)	0.8	0.9	0.8
Write down of inventories	0.2	8.6	1.8	1.6	1.5
Provision for doubtful accounts	21.1	28.8	22.3	21.9	20.1
Other provisions	0.3	0.0	0.0	0.0	0.0
Foreign exchange differences, net	(0.8)	(2.8)	(1.8)	0.6	2.7
Interest income	(1.8)	(0.4)	(0.8)	(0.7)	(0.5)
(Gains)/Losses from investments and financial assets - Impairments	0.0	0.0	2.2	(18.3)	0.0
Interest expense	68.0	40.8	39.6	36.0	35.7
Working capital adjustments	(17.1)	130.4	(70.0)	(65.0)	(17.7)
Decrease/(increase) in inventories	3.8	9.7	(18.2)	(6.7)	8.5
Decrease/(increase) in accounts receivable	(4.2)	(5.7)	(70.3)	(94.9)	(79.6)
(Decrease)/increase in liabilities (except borrowings)	(16.7)	126.4	18.5	36.6	53.4
Plus/(Minus):					
Payment for Early Retirement Programs & voluntary leave scheme	(4.3)	(3.1)	(2.2)	(1.2)	(89.8)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(0.9)	(4.3)	(8.0)	(9.6)	(3.8)
Interest and related expenses paid	(68.7)	(14.1)	(61.5)	(35.3)	(53.2)
Income taxes paid	(32.7)	(15.0)	(5.0)	(11.3)	(67.7)
Net Cash Flows from Operating Activities	270.9	480.1	205.1	221.8	142.2
Sale or maturity of financial assets	0.0	0.4	0.0	0.0	0.0
Repayments of loans receivable	3.0	3.0	3.0	2.6	1.7
Purchase of property, plant and equipment and intangible assets	(149.8)	(173.2)	(228.2)	(139.6)	(141.6)
Decrease/(increase) in restricted cash	(0.7)	(0.1)	0.6	0.0	1.4
Interest received	1.0	2.0	0.7	0.9	0.5
Net Cash flows from/(used in) Investing Activities	(146.5)	(167.9)	(223.9)	(136.1)	(138.0)
Acquisition of treasury shares	(5.6)	(4.6)	0.0	0.0	(0.4)
Proceeds from loans granted and issued	700.0	0.0	0.0	0.0	0.0
Repayment of loans	(500.0)	(105.2)	(459.5)	(33.8)	0.0
Dividends paid to Company's owners	0.0	0.0	0.0	(0.4)	(39.0)
Net Cash flows from/(used in) Financing Activities	194.4	(109.8)	(459.5)	(34.2)	(39.4)
Net Increase/(decrease) in Cash and Cash Equivalents	318.8	202.4	(478.3)	51.5	(35.2)
Cash and Cash equivalents at beginning of period	996.0	1,310.1	1,509.9	1,037.0	1,085.7
Net foreign exchange differences	(4.7)	(2.6)	5.4	(2.8)	1.8
Cash and Cash Equivalents at the end of the period	1,310.1	1,509.9	1,037.0	1,085.7	1,052.3
OTE Group's total liquidity (Cash & Other Financial assets)	1,314.3	1,513.6	1,044.6	1,092.3	1,059.0

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

(€ mn)	Q3 '14	Q4 '14	Q1 '15	Q2 '15	Q3 '15
Net Operating Cash Flow (Reported)	270.9	480.1	205.1	221.8	142.2
<i>...adding back:</i>					
<i>Payments for early retirement and VES</i>	<i>4.3</i>	<i>3.1</i>	<i>2.2</i>	<i>1.2</i>	<i>89.8</i>
<i>Payments for Other Restructuring Costs</i>	<i>1.0</i>	<i>16.3</i>	<i>4.8</i>	<i>13.4</i>	<i>2.1</i>
<i>Interest received</i>	<i>1.0</i>	<i>2.0</i>	<i>0.7</i>	<i>0.9</i>	<i>0.5</i>
Adj. Net Operating Cash Flow (a)	277.2	501.5	212.8	237.3	234.6
Total Group CapEx (Reported)	(149.8)	(173.2)	(228.2)	(139.6)	(141.6)
<i>...adding back:</i>					
<i>Spectrum Payments</i>	<i>0.0</i>	<i>40.4</i>	<i>68.4</i>	<i>8.5</i>	<i>0.0</i>
Adj. CapEx (b)	(149.8)	(132.8)	(159.8)	(131.1)	(141.6)
Adj. Free Cash Flow (a+b)	127.4	368.7	53.0	106.1	93.0

EXHIBIT V – GROUP REVENUES

(€ mn)	Q3 '15	Q3 '14	Change	9M '15	9M '14	Change
- Retail Fixed Services	300.8	307.7	-2.2%	899.4	922.5	-2.5%
- Wholesale Fixed Services	155.8	151.7	+2.7%	461.7	439.4	+5.1%
- Other (Fixed Services)	67.6	79.8	-15.3%	217.2	235.4	-7.7%
Total Revenues from Fixed Business	524.2	539.2	-2.8%	1,578.3	1,597.3	-1.2%
Service Revenues	354.0	364.3	-2.8%	1,004.2	1,055.3	-4.8%
Handset Revenues	53.8	59.0	-8.8%	160.0	168.4	-5.0%
Other (Mobile)	5.1	4.5	+13.3%	13.8	12.5	+10.4%
Total Revenues from Mobile	412.9	427.8	-3.5%	1,178.0	1,236.2	-4.7%
Other Revenues	34.2	20.6	+66.0%	109.3	68.4	+59.8%
Total Revenues	971.3	987.6	-1.7%	2,865.6	2,901.9	-1.3%



EXHIBIT VI – SEGMENT REPORTING (Q3 2015)

	OTE SA	Cosmote Group	Romania Fixed	All Other	Adjust. & Elimin.	Group Consolidated
Fixed Business:						
Retail Services Revenues	219.0	0.0	82.4	0.0	(0.6)	300.8
Wholesale Services Revenues	85.7	0.0	26.4	83.1	(39.4)	155.8
Other Revenues (Fixed Business)	49.8	4.0	15.3	0.8	(2.3)	67.6
Total Revenues from Fixed Business	354.5	4.0	124.1	83.9	(42.3)	524.2
Mobile Business:						
Service Revenues	0.0	359.0	3.3	0.0	(8.3)	354.0
Handset Revenues	5.1	58.9	2.3	0.0	(12.5)	53.8
Other Mobile Revenues	0.0	21.3	0.1	0.0	(16.3)	5.1
Total Revenues from Mobile Business	5.1	439.2	5.7	0.0	(37.1)	412.9
Other Revenues	17.7	1.1	13.7	27.5	(25.8)	34.2
Total Revenues	377.3	444.3	143.5	111.4	(105.2)	971.3
Other Operating Income/(expense)	4.0	0.6	6.9	0.6	(0.8)	11.3
Interconnection & Roaming Costs	(33.8)	(38.8)	(25.4)	(70.4)	42.4	(126.0)
Provision for doubtful accounts	(4.9)	(11.7)	(3.5)	0.0	0.0	(20.1)
Personnel Costs	(81.6)	(41.6)	(23.8)	(6.1)	(13.6)	(166.7)
Cost of Early Retirement Programs	(0.6)	(1.0)	(12.2)	0.0	(0.0)	(13.8)
Commission Costs	(3.2)	(39.4)	(4.7)	0.0	10.3	(37.0)
Device Costs	(8.5)	(54.8)	(8.8)	(0.1)	11.1	(61.1)
Maintenance & Repairs	(9.4)	(9.6)	(7.9)	(0.3)	0.4	(26.8)
Marketing	(6.5)	(15.6)	(2.2)	0.0	0.0	(24.3)
Other OpEx	(76.2)	(79.0)	(50.2)	(21.4)	55.3	(171.5)
Total OpEx (ex-Depreciation)	(224.7)	(291.5)	(138.7)	(98.3)	105.9	(647.3)
EBITDA	156.6	153.4	11.7	13.7	(0.1)	335.3
EBITDA margin (%)	41.5%	34.5%	8.2%	12.3%		34.5%
Total Opex (ex Depreciation, VES & Restructuring costs)	(224.1)	(289.5)	(126.5)	(98.3)	105.9	(632.5)
EBITDA (Pro Forma)*	157.2	155.4	23.9	13.7	(0.1)	350.1
Pro Forma EBITDA margin (%)	41.7%	35.0%	16.7%	12.3%		36.0%
Depreciation & Amortization	(78.7)	(88.3)	(35.8)	(6.3)	0.0	(209.1)
EBIT	77.9	65.1	(24.1)	7.4	(0.1)	126.2

*Excluding impact of Voluntary Retirement Programs and Restructuring Plans



EXHIBIT VI – SEGMENT REPORTING (Q3 2014)

	OTE SA	Cosmote Group	Romania Fixed	All Other	Adjust. & Elimin.	Group Consolidated
Fixed Business:						
Retail Services Revenues	217.1	0.0	90.2	0.8	(0.4)	307.7
Wholesale Services Revenues	82.1	0.0	29.2	71.4	(31.0)	151.7
Other Revenues (Fixed Business)	52.7	4.1	24.7	3.6	(5.3)	79.8
Total Revenues from Fixed Business	351.9	4.1	144.1	75.8	(36.7)	539.2
Mobile Business:						
Service Revenues	0.0	370.8	1.0	0.0	(7.5)	364.3
Handset Revenues	4.4	64.8	0.6	0.0	(10.8)	59.0
Other Mobile Revenues	0.0	13.6	0.3	0.0	(9.4)	4.5
Total Revenues from Mobile Business	4.4	449.2	1.9	0.0	(27.7)	427.8
Other Revenues	20.1	(0.4)	5.3	35.7	(40.1)	20.6
Total Revenues	376.4	452.9	151.3	111.5	(104.5)	987.6
Other Operating Income/(expense)	1.5	2.1	12.9	1.1	(0.9)	16.7
Interconnection & Roaming Costs	(31.0)	(32.5)	(26.5)	(60.3)	33.6	(116.7)
Provision for doubtful accounts	(5.0)	(13.2)	(2.9)	0.0	0.0	(21.1)
Personnel Costs	(77.6)	(36.3)	(24.6)	(21.2)	(11.8)	(171.5)
Cost of Early Retirement Programs	0.0	(0.4)	(2.3)	0.0	0.0	(2.7)
Commission Costs	(2.5)	(38.9)	(3.6)	(0.1)	10.1	(35.0)
Device Costs	(10.5)	(59.9)	(6.9)	(0.4)	10.5	(67.2)
Maintenance & Repairs	(13.0)	(10.1)	(8.2)	(0.2)	5.3	(26.2)
Marketing	(4.3)	(19.1)	(4.5)	0.0	(0.0)	(27.9)
Other OpEx	(83.2)	(79.1)	(52.0)	(12.0)	57.7	(168.6)
Total OpEx (ex-Depreciation)	(227.1)	(289.5)	(131.5)	(94.2)	105.4	(636.9)
EBITDA	150.8	165.5	32.7	18.4	0.0	367.4
EBITDA margin (%)	40.1%	36.5%	21.6%	16.5%	0.0%	37.2%
Total Opex (ex Depreciation, VES & Restructuring costs)	(227.1)	(288.1)	(129.2)	(94.2)	105.4	(633.2)
EBITDA (Pro Forma)*	150.8	166.9	35.0	18.4	0.0	371.1
Pro Forma EBITDA margin (%)	40.1%	36.9%	23.1%	16.5%	0.0%	37.6%
Depreciation & Amortization	(68.8)	(89.6)	(32.0)	(6.7)	(0.1)	(197.2)
EBIT	82.0	75.9	0.7	11.7	(0.1)	170.2

*Excluding impact of Voluntary Retirement Programs and Restructuring Plans



EXHIBIT VII – OPERATIONAL HIGHLIGHTS

	Sep 30, 2015	Sep 30, 2014	Change
Fixed Line Operations, Greece			
PSTN connections	2,343,579	2,435,562	-3.8%
ISDN connections (BRA & PRA)	315,282	339,277	-7.1%
Other (MSAN)	37,169	13,104	+183.6%
OTE access line connections (incl. WLR)	2,696,030	2,787,943	-3.3%
<i>Of which Wholesale line rental (WLR) connections</i>	<i>20,031</i>	<i>39,178</i>	<i>-48.9%</i>
OTE Retail access line connections (ex-WLR)	2,675,999	2,748,765	-2.6%
Total OTE Broadband active subscribers	1,481,623	1,358,841	+9.0%
OTE Broadband active retail subscribers	1,459,347	1,334,894	+9.3%
OTE TV Subscribers (IPTV & Satellite)	413,602	320,578	+29.0%
Unbundled local loops (active)	2,040,328	1,984,977	+2.8%
Employees	8,458	6,878	+23.0%
Fixed Line Operations, Romania			
Voice Telephony lines (Incl. CDMA)	2,161,702	2,166,417	-0.2%
Broadband subscribers(Incl. CDMA BB)	1,201,173	1,237,638	-2.9%
TV subscribers (DTH, IPTV & Cable)	1,431,761	1,396,973	+2.5%
Employees	5,983	6,008	-0.4%
Mobile Operations			
Mobile subscribers, Greece	7,427,281	7,335,833	+1.2%
Mobile subscribers, Albania	1,995,785	2,042,144	-2.3%
Mobile subscribers, Romania	5,716,156	5,889,705	-2.9%
Employees	6,717	5,766	+16.5%