

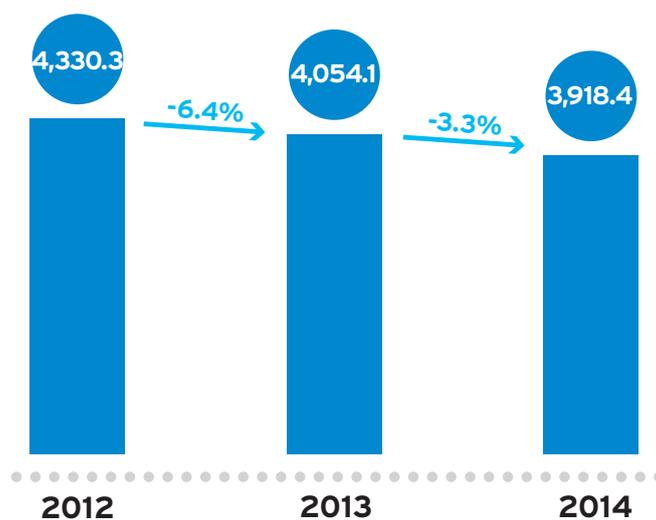


A decorative graphic on the right side of the page, consisting of a grid of squares in various shades of green, with some squares overlapping and creating a layered effect. The pattern is partially obscured by a white rectangular area on the left.

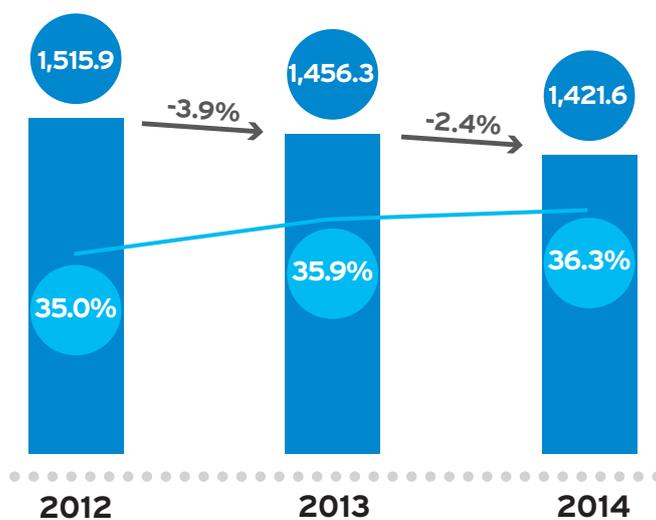
# **2014 AT A GLANCE**

# OTE GROUP FINANCIAL PERFORMANCE

Revenues (€ mn)



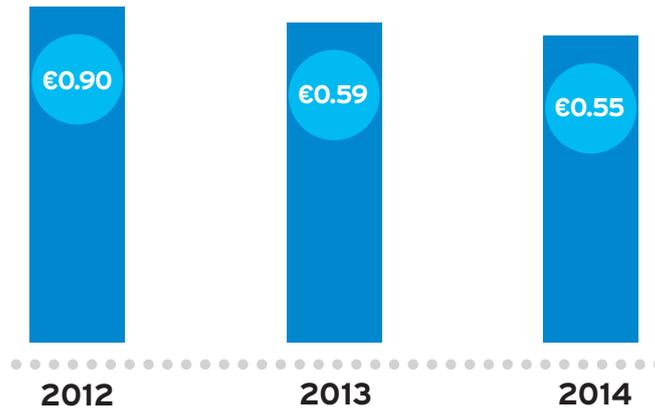
Pro forma EBITDA\* (€ mn)



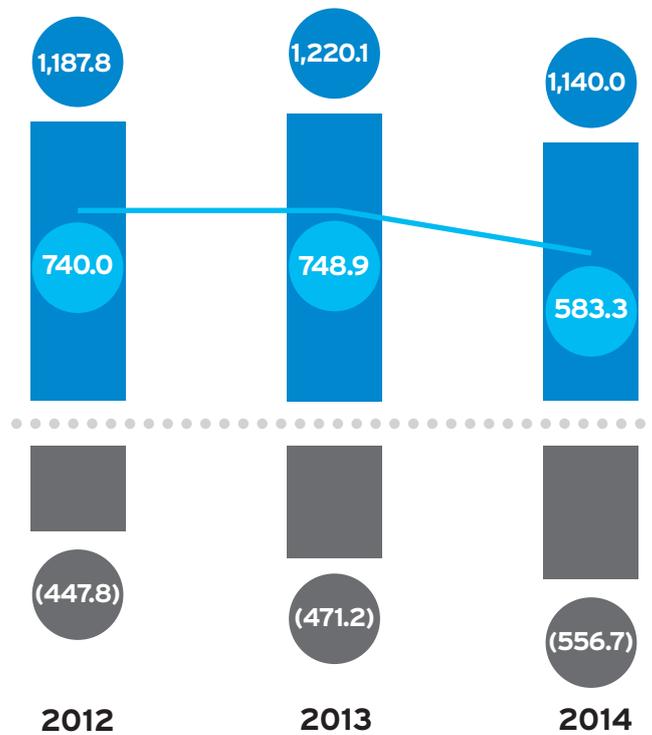
- Pro forma EBITDA\* (€ mn)
- Pro forma EBITDA margin %

\*Excluding the impact of Voluntary Exit Programs and Restructuring Plans

**Earnings per Share (€)  
(from continuing operations)**



**Free Cash Flow\* (€ mn)**



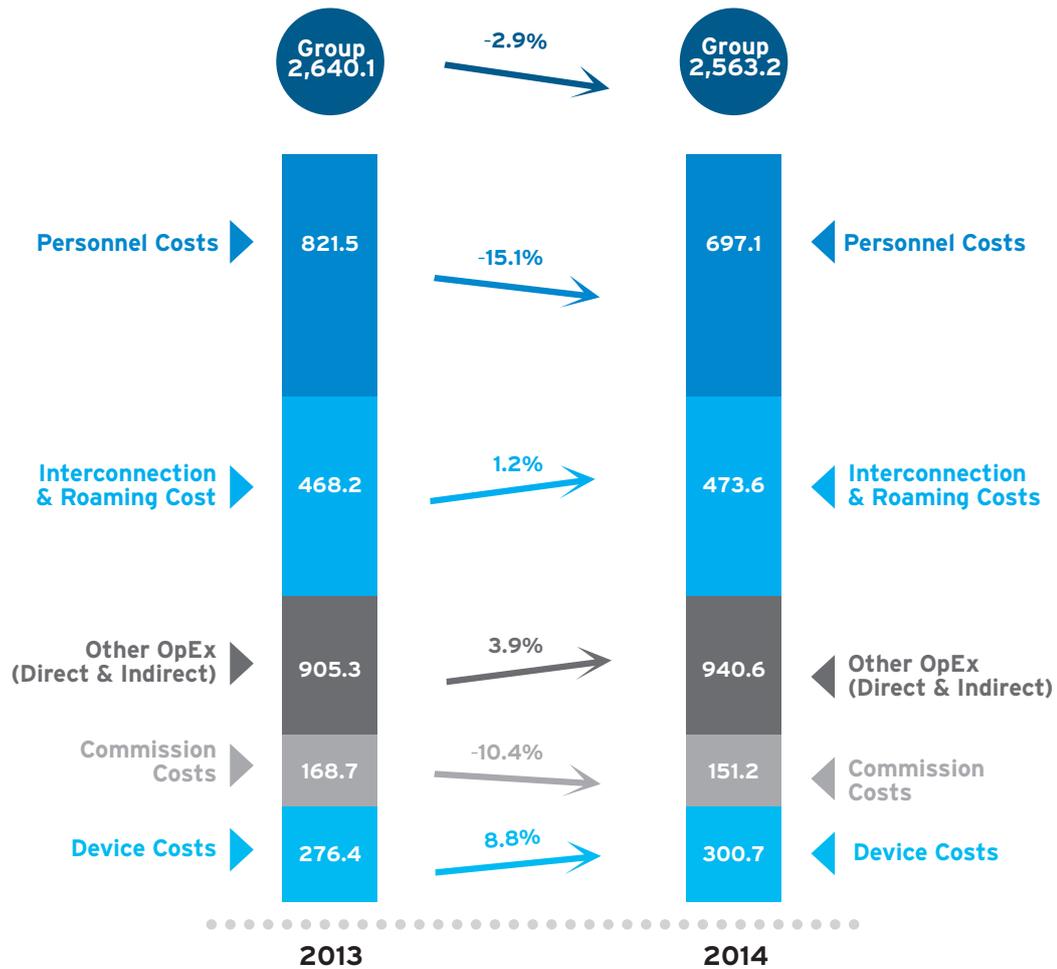
- Adjusted Capex\* (€ mn)
- Adjusted Net Operating Cash Flow\* (€ mn)
- Adjusted Free Cash Flow (€ mn)

\*Cash flow includes interest received but excludes Voluntary Exit Programs, Restructuring Plans and/or Spectrum Payments

## 02. 2014 AT A GLANCE

### OTE GROUP FINANCIAL PERFORMANCE

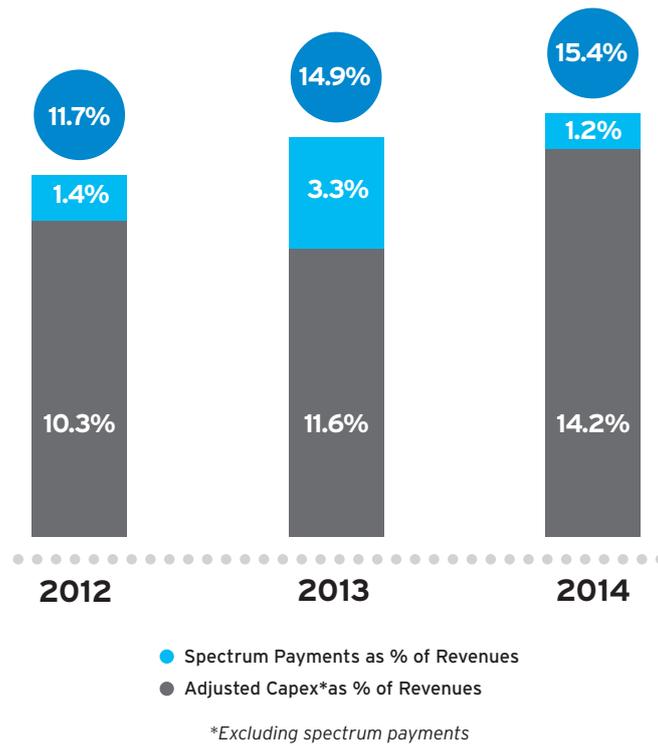
Operating expenses breakdown\* (€ mn)



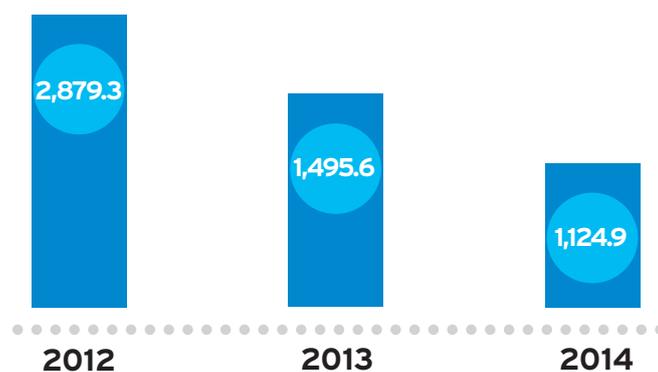
\* Excluding D&A, impact of Voluntary Exit Programs and Restructuring Plans



### Total Capex as % of Revenues



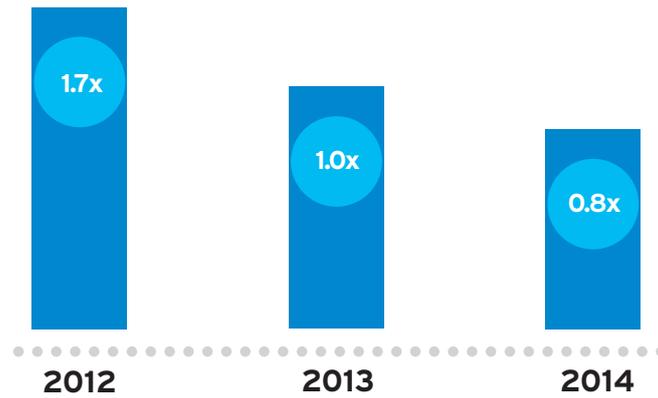
### Underlying Net Debt (€ mn)



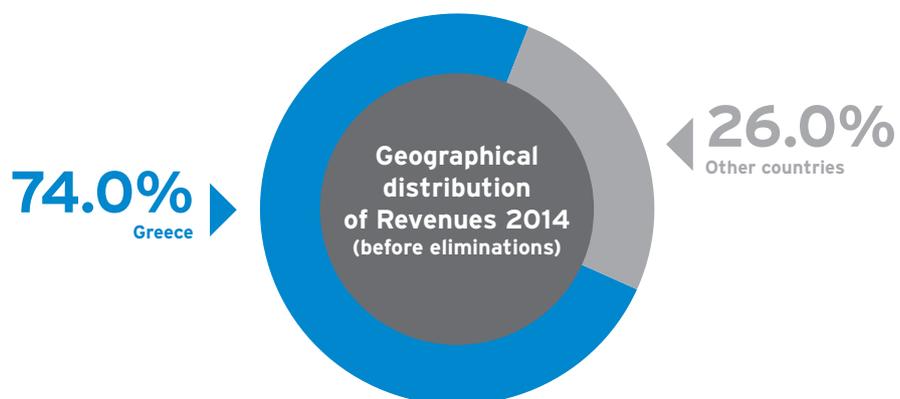
## 02. 2014 AT A GLANCE

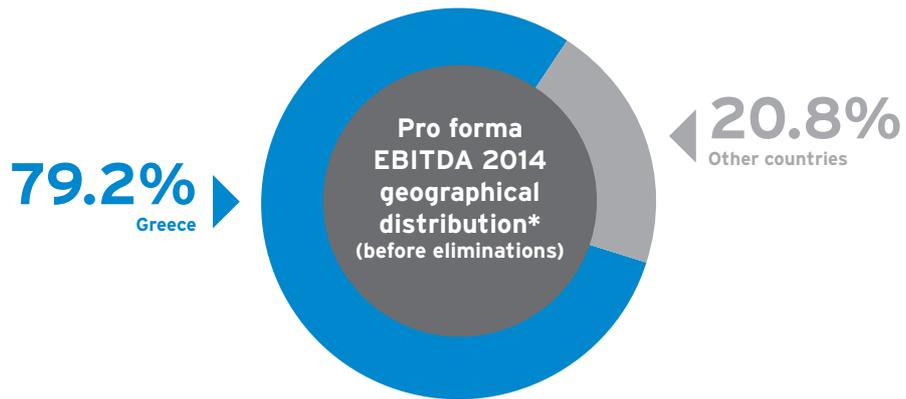
### OTE GROUP FINANCIAL PERFORMANCE

#### Underlying Net Debt/Pro forma EBITDA\*

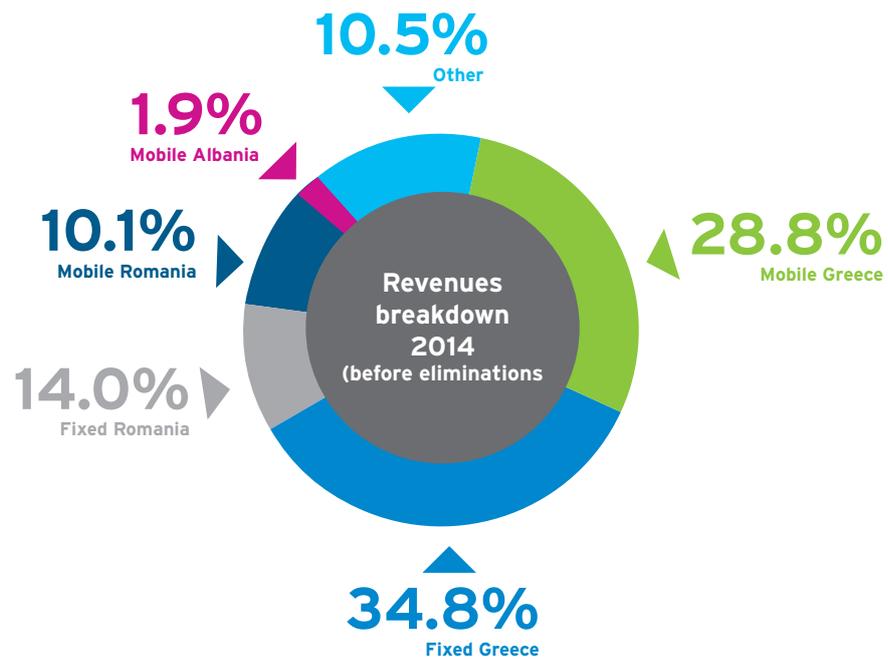


\*Excluding the impact of Voluntary Retirement Programs and Restructuring Plans



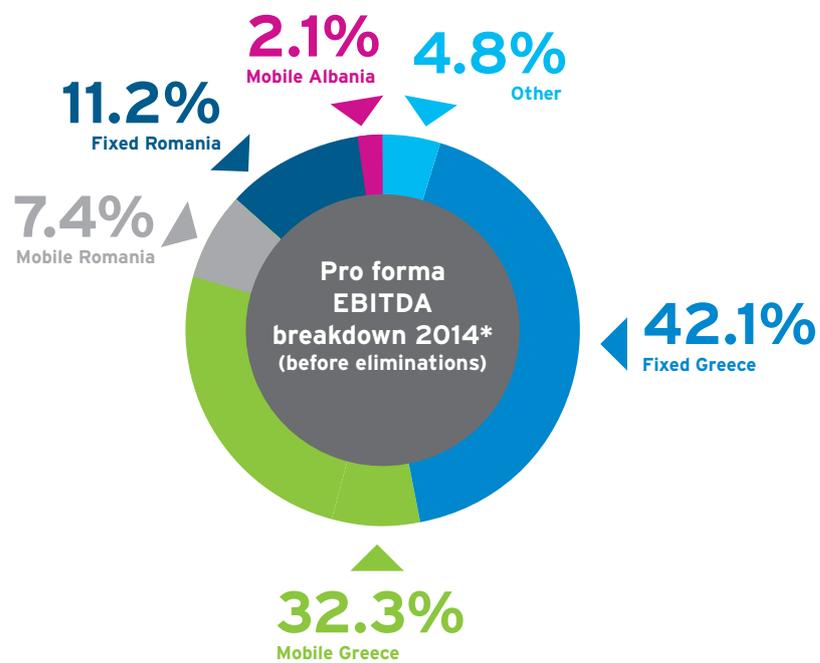


\* Excluding the impact of Voluntary Retirement Programs and Restructuring Plans



## 02. 2014 AT A GLANCE

### OTE GROUP FINANCIAL PERFORMANCE

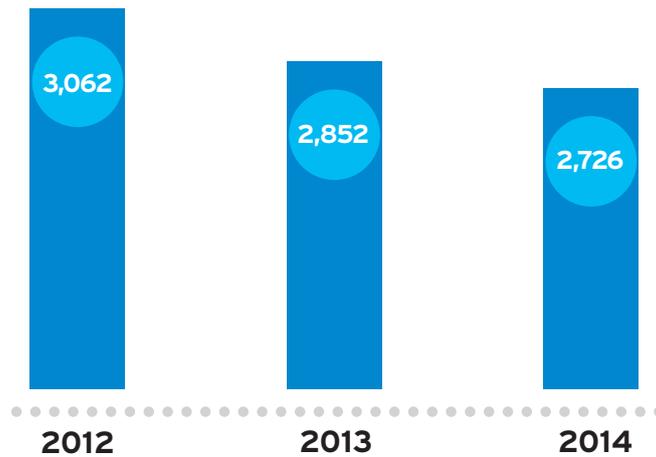


*\*Excluding the impact of Voluntary Retirement Programs and Restructuring Plans*

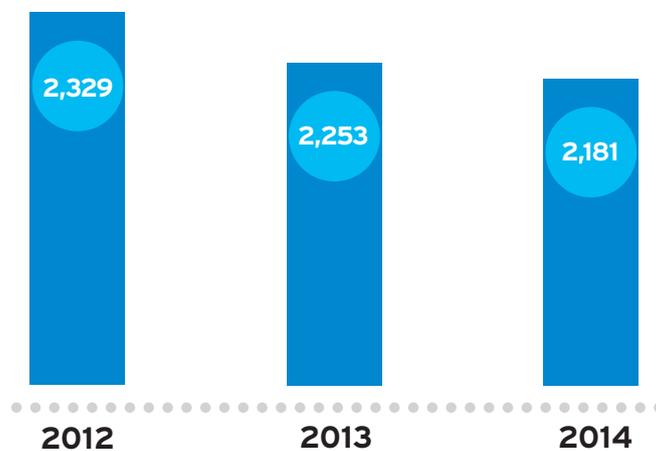


# OTE GROUP OPERATIONAL PERFORMANCE

OTE fixed line connections (000)



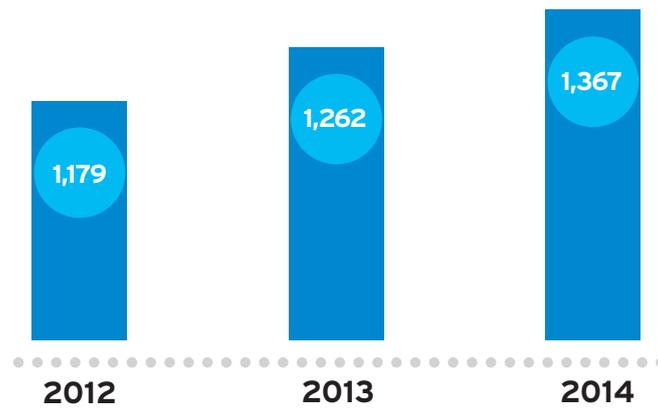
Telekom Romania fixed line connections (000)



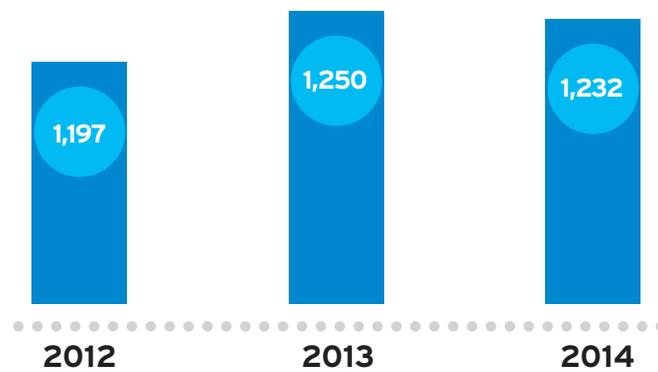
## 02. 2014 AT A GLANCE

### OTE GROUP OPERATIONAL PERFORMANCE

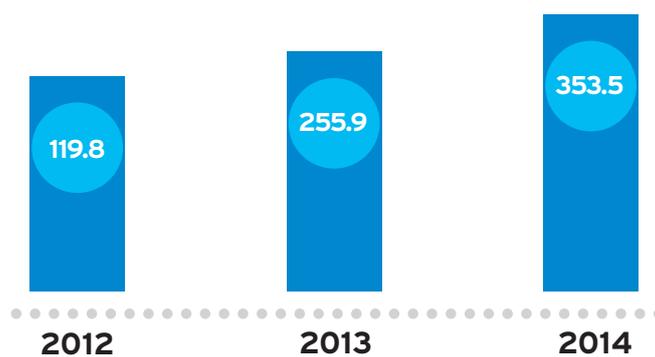
OTE retail broadband subscribers (000)



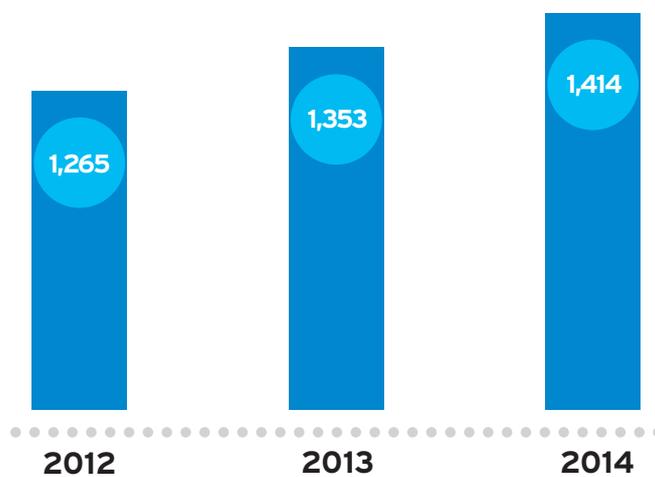
Telekom Romania broadband subscribers (000)



**OTE TV subscribers (000)**



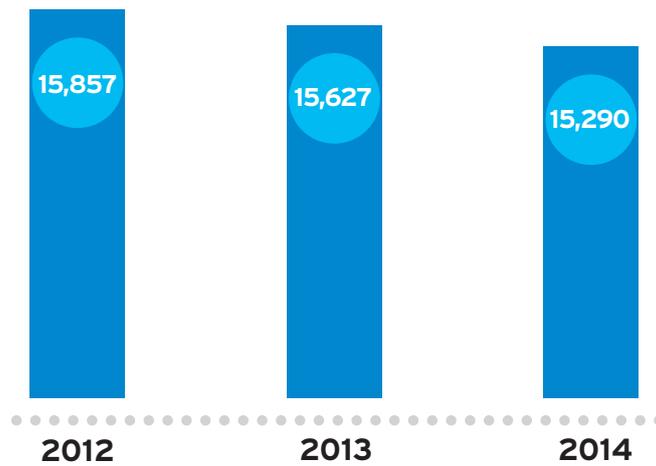
**Telekom Romania TV subscribers (000)**



## 02. 2014 AT A GLANCE

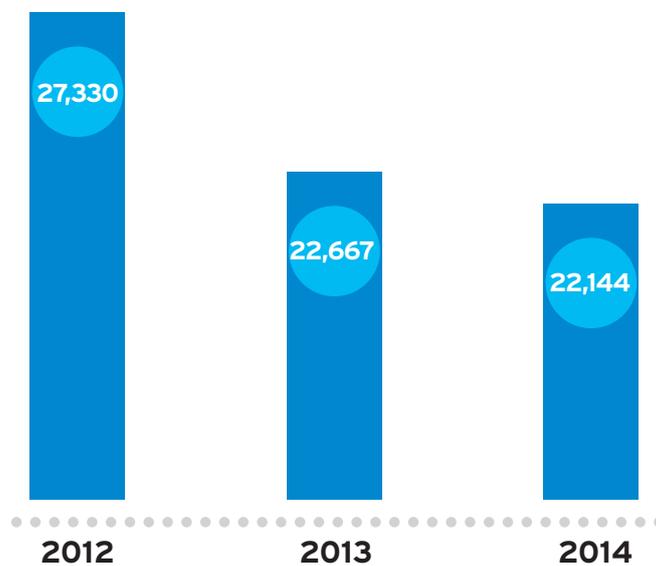
### OTE GROUP OPERATIONAL PERFORMANCE

Mobile telephony subscribers\* (000)



*\*Continuing operations*

OTE Group employees evolution\*



*\*Including discontinuing operations*



# HOW THE INVESTMENT COMMUNITY SAW US IN 2014

## OTE SHARE

OTE's shares are traded on the Athens and London (GDRs) Stock Exchanges. As of September 2010, OTE's shares ceased to be traded on the New York Stock Exchange.

Following OTE's delisting from the New York Stock Exchange, its American Depository Shares (ADRs) trade in the OTC (Over the Counter) market with the ticker symbol HLTOY through the Level I ADRs program.

## ATHENS STOCK EXCHANGE

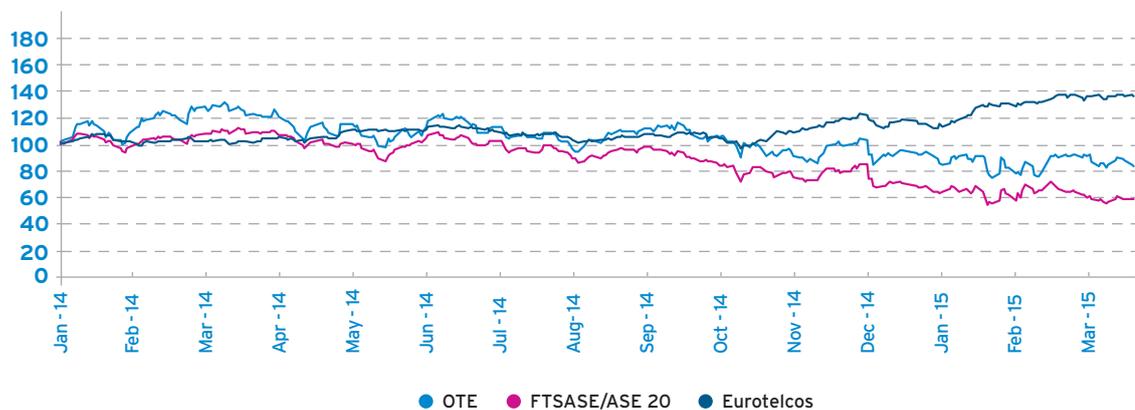
Ticker	>	OTE
Bloomberg Ticker	>	HTO GA
Reuters Ticker	>	OTEr.AT

## 31.12.2014

Market capitalization	>	€ 4,460.4 mn
Maximum annual price	>	€ 13.18
Minimum annual price	>	€ 8.35
Average Trading Volume	>	1,077,266

Relative performance chart of OTE share price, FTASE/ASE 20 index & Eurotelcos

Jan. 2014 - Mar. 2015

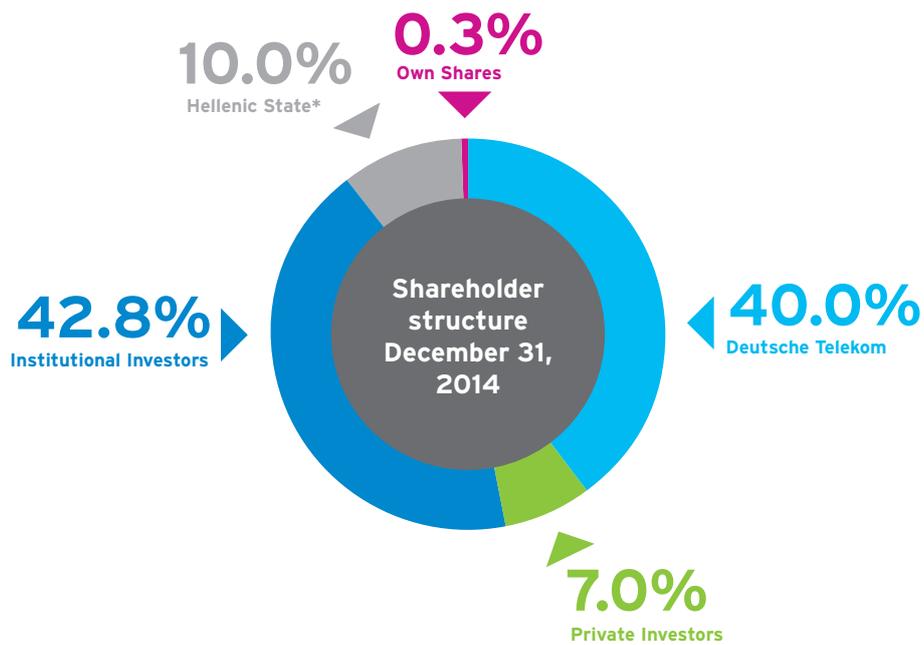


## 02. 2014 AT A GLANCE

### HOW THE INVESTMENT COMMUNITY SAW US IN 2014

OTE share price performance chart

Jan. 2014 - Mar. 2015 (€)



\*Including 4% voting rights attached to the share capital transferred to IKA pension fund

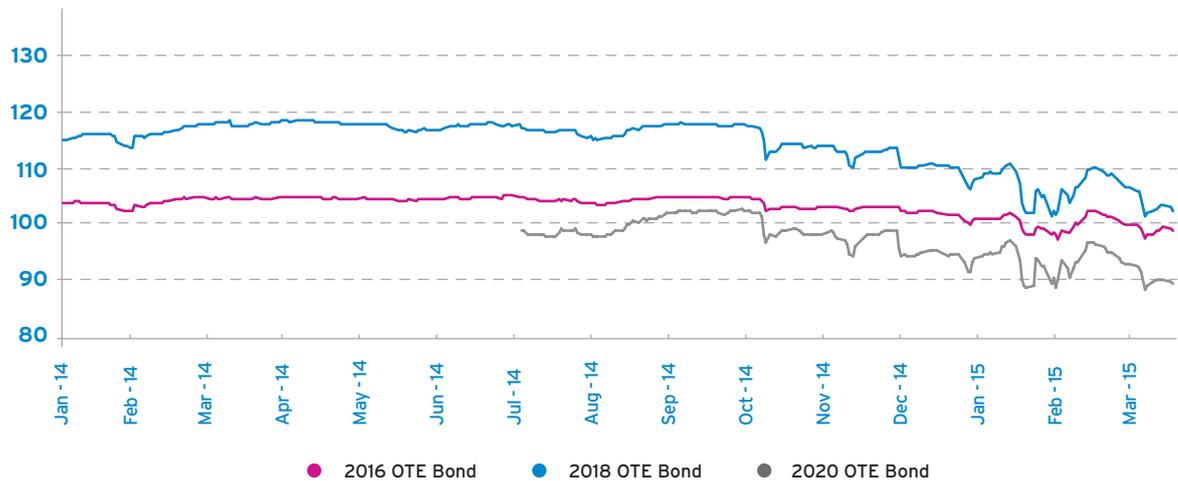


## BONDS

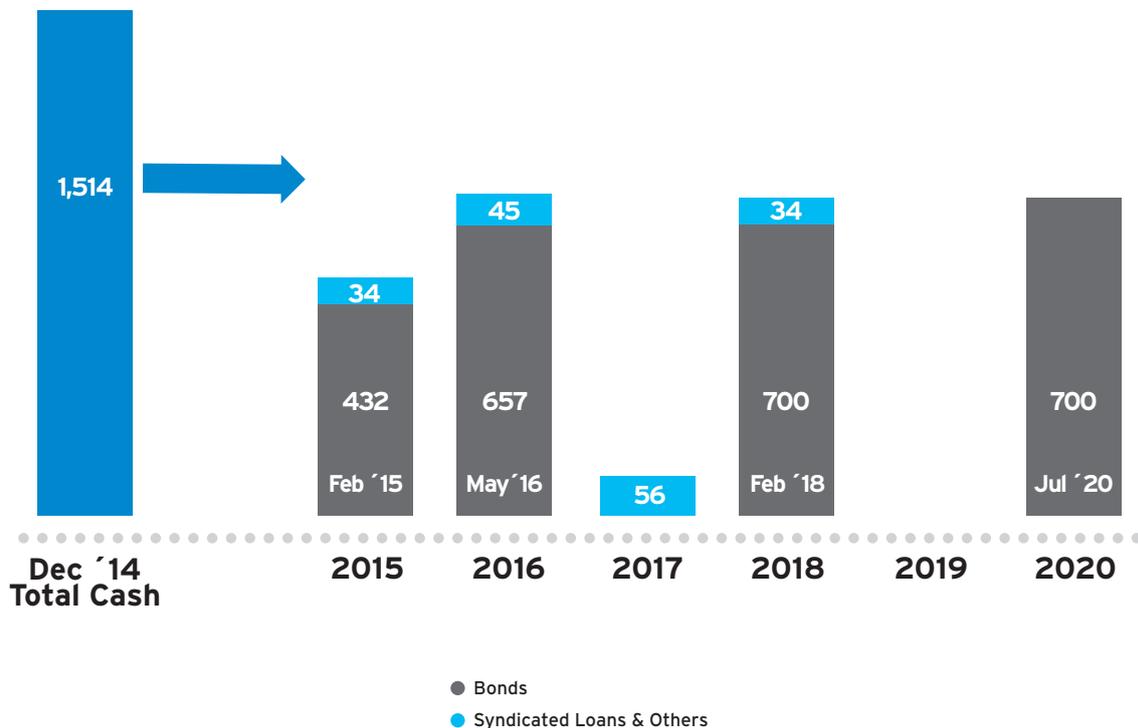
OTE issues notes under the Global Medium Term Notes program. These are listed on the Luxembourg Stock Exchange and are traded in the secondary market.

### OTE Bonds chart

Jan. 2014 - Mar. 2015 (€)



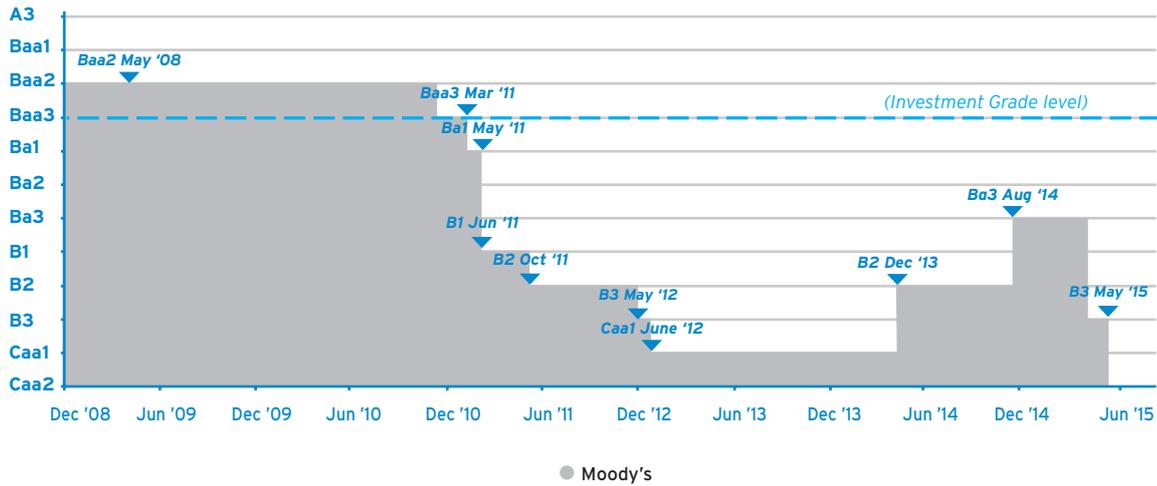
### OTE Group debt maturity profile as of December 31, 2014 - Nominal amounts (€ mn)



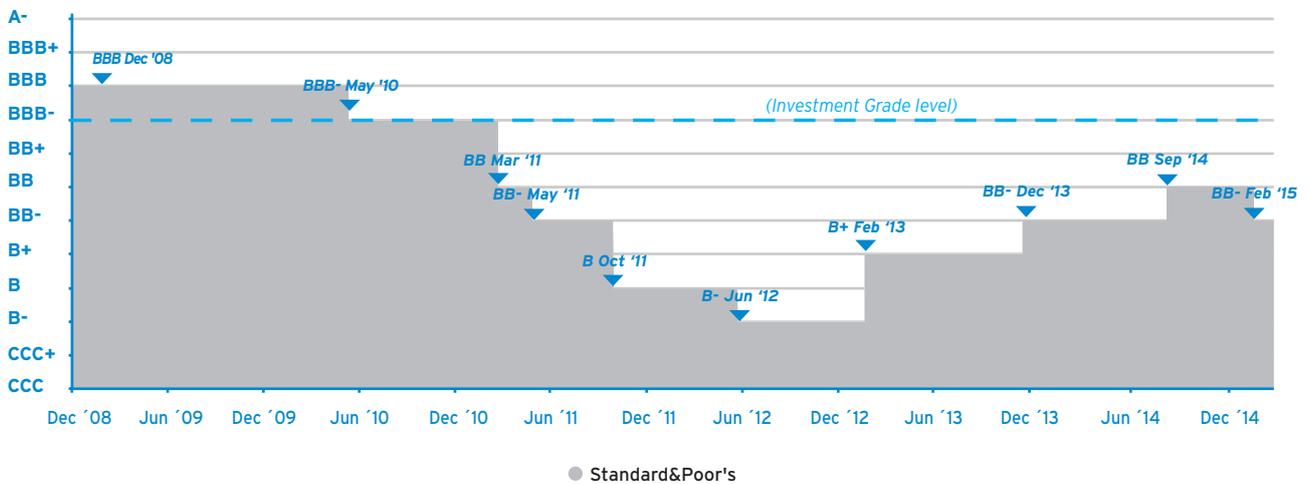
## 02. 2014 AT A GLANCE

### HOW THE INVESTMENT COMMUNITY SAW US IN 2014

OTE - Moody's rating evolution



OTE - Standard&Poor's rating evolution





# THE YEAR 2014 FOR THE OTE GROUP

**Providing top-level services, building on the distribution network and the points of contact with customers**

In 2014, major business goals were met in the context of the Group's strategy and that of OTE in particular, towards making customer experience the top priority, enhancing the company's operational performance, reducing costs and strengthening the company's financial position.

## **STRENGTHENING THE COMPANY'S FINANCIAL POSITION AND REDUCING COSTS**

### **> A fixed-rate note of €700 mn was issued for OTE by the international markets**

OTE successfully completed the book building process for the issue of a 6-year fixed-rate note, totalling €700 mn. The issue was significantly oversubscribed, with the demand set at an amount in excess of €2.5 bn.

### **> Conclusion of tender offer for OTE PLC notes**

OTE's subsidiary OTE PLC concluded a tender for cash of its February 2015 Notes and its May 2016 Notes. The tender was financed via the proceeds of the €700 mn new bond issue of OTE PLC. Following the completion of the tender, the outstanding nominal amounts of the February 2015 and May 2016 Notes were €482.7 mn and €700 mn respectively.

### **> New recruitments**

Following two voluntary exit scheme programmes of OTE employees in a socially responsible way (during 2012-2013), more than 1,500 new jobs were created at OTE Group over the past two years (2013-2014).

## **EMPHASIS ON CUSTOMER EXPERIENCE**

### **> Enhancing current services/new services**

#### ***Enriching the content of OTE TV***

New major sports events, new collaborations with big Hollywood studios and independent production companies, exclusive popular series and new special interest channels uniquely enriched the TV experience offered by OTE TV in the past year. This resulted in over 350 thousand households enjoying quality pay-TV at the most affordable prices on the market.

#### ***Acquisition of broadcasting rights for all the matches of the UEFA Champions League and the UEFA Europa League***

OTE obtained the broadcasting rights for all the matches of the UEFA Champions League and the UEFA Europa League from 2015 to 2018. Regarding the Champions League, OTE TV will broadcast exclusively 133 out of 146 matches and the remaining 13 in parallel broadcast with a free broadcast channel. Regarding the Europa League, OTE TV has acquired the exclusive rights for all 204 matches of the tournament up until the final.

#### ***Better 4G services from COSMOTE, through the acquisition of 800MHz and 2.6GHz spectrum bands***

COSMOTE has secured the rights to use radio frequencies in the 800MHz and 2.6GHz spectrum bands, following the auction process conducted by the Hellenic Telecommunications and Post Commission (HTPC). Through this acquisition, COSMOTE is further enhancing the speed and coverage of its extensive 4G network, both in urban and rural areas, thus meeting its customers' needs for ultra-high speeds and advanced communication services.

#### ***OTE VDSL is dynamically expanding to new areas***

OTE is continuing to dynamically expand its fibre optics network throughout the country with ultra-high VDSL speeds of up to 50 Mbps. Today, more than 1,400,000 households and businesses have access to VDSL technology and 3,300 outdoor cabinets have been installed across Greece.

**Dynamic expansion of OTE VDSL - Better 4G services from COSMOTE**

## 02. 2014 AT A GLANCE

### THE YEAR 2014 FOR THE OTE GROUP

#### Aesthetic and operational upgrade of the OTE shops

#### ***OTE offers free Wi-Fi***

OTE, in collaboration with the global WiFi Fon network, offers in Greece and OTE Double Play customers the opportunity to use their connection and access the Internet for free from over 14,000,000 WiFi spots in 15 countries worldwide.

#### ***OTE is developing its ICT services***

ICT (Information and Communications Technology) is a combination of services which combine network provision, equipment (networking), value added systems and services, i.e., integrated solutions which combine telecommunications and Systems Integration. Behind ICT lies the need for innovative services for the benefit of society and businesses. Services which help the company's efficiency and productivity such as Cloud & Machine to Machine, but also solutions which are usually applied in the fields of health, tourism, education, energy, the state and the operation of agencies in general. For the OTE Group, ICT constitutes a new, key source of revenue, lying at the center of its strategy, in convergence with the broader strategy of the DT Group.

#### ***The new OTE Satellite Internet service***

The new OTE Satellite Internet service offers fast Internet speeds of up to 22 Mbps, even at the most remote and inaccessible part of the country or in areas where there is no network for fixed Internet. Moreover, subscribers can combine OTE Satellite Internet with OTE TV via Satellite, using the same antenna.

#### ***The new COSMOTE Online Chat service***

Immediate online customer service from the specialized group of Customer Care representatives is now available to [www.cosmote.gr](http://www.cosmote.gr) visitors, whether they are subscribers or not.

#### **➤ OTE takes part in the SPIRIT research project**

OTE is participating in the SPIRIT research project which aims at the development of an optical transceiver for fibre optic networks. The new transceiver will support ultra-high data transfer speeds, thus ensuring high quality services for end-users.

#### **➤ OTE participates in the E3NETWORK research project**

OTE is taking part in the E3NETWORK research project for the development of an ultra-high speed transceiver of 4th and 5th generation wireless communications. This transceiver will deliver transfer data speeds of up to 10 Gbps over 1 km with an availability of 99.995%. This development will mean network infrastructure which can meet the increasing demands of today's consumers for broadband, high quality services and technological convergence. It also means lower levels of electromagnetic radiation and the immediate expansion of radio coverage.

#### **➤ Upgrade of the distribution network and customer points of contact**

##### ***Revamping and operational upgrade of the OTE shops***

In 2015, OTE is continuing the upgrading of the remainder of its retail shops in remote locations, as well as the continued improvement of the revamped shops, with an aim to incorporate new product categories and Digital Means of communicating and promoting offers. The company will also proceed with the refurbishing of the COSMOTE shops, along the same lines as the OTE shops.

#### **➤ The B2B Power Performance Expertise-Solutions-Simplicity program**

The B2B Power Performance Expertise-Solutions-Simplicity training program aspires to further develop the knowledge and the qualifications of corporate sales people, in order for them to offer tailored solutions in a straightforward and effective way, and thus successfully transition to the age of ICT.

#### **➤ A new training programme for the OTE TV team**

A new training programme which enhances and promotes innovation was designed and implemented for the



first time for the OTE TV team. The programme focuses on creative thought and innovation and how these connect with the company's business challenges. The programme is based on the three phases of the "Design Thinker" method: INSPIRATION, IDEATION, IMPLEMENTATION. The innovative process of the 3-phase workshop attended by the OTE TV team included observing the behaviour of users in a real environment; pinpointing and documenting their "hidden" desires; and finally creating the "prototype" of a new service or a process which would meet their needs. The programme, designed by the Department of Staffing, Human Resource Development & Change Management, will soon be attended by other teams.

#### ➤ **ACT2: Continued training and skills enhancement for OTE Group's field technicians**

In 2014, ACT2 (Advanced Certification in Telecommunications Technologies), a continued training and skills enhancement programme exclusively for OTE Group's field technicians, continued to be offered. Through ACT2, OTE adds value to the knowledge and skills of its field technicians, who, upon completing the programme, receive a professional certification, which ensures their telecom technology excellence in the market. In 2014, approximately 1,500 field technicians attended the ACT2 programme.

#### ➤ **Certifications/Distinctions in Customer Experience**

##### ***ISO 9001:2008 certification***

The successful redesign of all corporate processes in order to achieve better customer experience gained OTE certification to the internationally recognized ISO 9001:2008 Quality Management System standard - for the first time - for the entire spectrum of its activities. In order to achieve the certification, over the past two years OTE implemented new and innovative methods of analyzing, documenting and improving its processes and procedures, while at the same time eliminating obsolete practices and regulations, in cooperation with business units across Greece.

##### ***13888 "Customer Service Centre of the Year - Large Team"***

OTE's Customer Care won first place in the "Customer Service Centre of the Year - Large Team" category of the National Customer Service Awards of the Hellenic Institute of Customer Service for 2014. Orientated to the Group's values and placing the customer in the centre stage, OTE's Customer Care team, through its hard work, consistency and dedication, achieved this distinction despite other worthy candidates.

##### ***Certification in customer experience management through the BC2X training programme***

A certification exam in the modern principles of customer experience management concluded the BC2X training program for COSMOTE and GERMANOS employees. In 2014, through the BC2X training programme, approximately 2,000 employees from all the operational units of COSMOTE and GERMANOS were introduced to the Customer Experience Management principles. By the end of 2015, it is expected that all OTE Group employees will have received this training.

##### ***COSMOTE excellence in Mobile Data services in Greece***

With two certificates of excellence, P3 Communications, the internationally acclaimed network measurement company, confirmed that COSMOTE offers the "best data services for Smartphones" and the "best data services for mobile broadband" among all the other mobile networks in Greece. COSMOTE ranks among the top 20 out of more than 140 operators in Europe, as it provides the Greek market with the best customer experience with incredibly fast mobile Internet.

#### ➤ **Company's distinctions**

##### ***Distinction for OTE at the Environmental Awards 2015***

OTE received a distinction at the Environmental Awards 2015 for its best practices and its outstanding performance in environmental protection and sustainability. At the ceremony, the company was presented with

**13888... at the  
top of customer  
service**

## 02. 2014 AT A GLANCE

### THE YEAR 2014 FOR THE OTE GROUP

3 Gold Awards and 1 Grand Award. OTE implements an integrated programme for calculating greenhouse gas emissions (GHG). Furthermore, measures are taken to reduce emissions by utilizing renewable energy sources, investing in the modernization of the telecommunications network and equipment, and implementing measures in buildings and shops (connecting to the natural gas grid and implementing energy upgrade programmes for buildings).

#### ***Distinction for OTE at the Social Media Awards 2014 and the e-volution awards***

It was a big day for innovation and creativity at the Social Media Awards 2014, where OTELife won the Bronze Prize for Best Corporate Blog. Having been online for about a year and a half, OTELife has managed not only to stand out, but also to become a point of reference for readers and consumers seeking a blog which offers both technical information and diversion, keeping them up to date, advising, helping and entertaining them.

Furthermore, in recognition of OTE's implementation of best practices in electronic commerce and business, ote.gr received the Silver Award in the "E-mail Marketing Campaign" category of the e-volution awards for its "Personalized Campaigns @ OTE" project. The distinction concerns personalized newsletter campaigns, through which users are informed of new, exclusive offers, tailored to their needs.

#### ***OTE is named Company of the year at the InfoCom World Awards 2014***

A distinction recognizing OTE Group's steadily leading role in the Greek telecom market and its investment in innovation, the evolution of technical infrastructure and the development of the country, was presented to OTE at the awards ceremony of the 16th InfoCom World International Congress.

#### ***Distinction for OTE at the HR Excellence Awards 2014***

OTE was presented with the Silver Prize in the "Change Management - Redefining culture and internal communication - Acquisitions and mergers" category for its actions regarding human resources, as part of the overall restructuring of the company. In particular, an assessment was made of actions and good practices which were designed and implemented for the support of employees during the changes taking place in the company, as well as of programmes which contribute to establishing a single corporate culture. Typical examples of these actions are the Voluntary Exit Schemes in a socially responsible way for employees who were close to retirement; the recruitment of the company with primarily young people over the past 2 years; as well as the new training programmes, such as the ACT2, for the further training of the company's field technicians in modern technology, and the C2X/BC2X programmes for the cultivation of a customer experience culture throughout the company.

#### ***Two gold awards presented to OTE Group for its Health and Safety management***

OTE Group won major distinctions at the Health & Safety Awards 2014, for the practices followed and the outstanding performance achieved in the management of Health & Safety issues in the workplace: The Gold Award in the "Health & Safety" category of the telecom sector for the company leadership's commitment to and support of employee safety, health and wellbeing, and the Gold Award in the "Health and Wellness Programmes" category, for the intervention programme promoting the non-pharmaceutical treatment of high blood pressure and its prevention through a change in lifestyle and the adoption of healthy behaviours among employees with high blood pressure problems.

#### ***Distinction for OTE-COSMOTE's responsible business practices***

For the first time, OTE and COSMOTE jointly participated in the Corporate Responsibility Index (CRI), achieving a Platinum Distinction for their performance in implementing responsible business practices in 2013, and receiving the "Best Award Marketplace", based on the National Corporate Responsibility Index (CR Index). The CRI is a major international index which measures companies' performance in terms of Corporate Social Responsibility (CSR), while also constituting a point of reference for the benchmarking of CSR performance.

**OTE is named  
Company of the  
year at the  
Infocom World  
2014 Awards**



### ***International distinction for OTE and the LiveCity research programme***

OTE, as project leader of the LiveCity EU-funded research project, received the Best Demonstration Award at the Future Internet Assembly 2014 (FIA-2014) which was held in Athens. FIA-2014 is an event with global reach, at which actions and the results of European research projects and other research and development initiatives were presented, in the presence of European Commission representatives, stakeholders from the academic and research sector, and representatives from the European telecom market. The demonstration and testing pavilion for the applications of the LiveCity programme stood out from among 48 similar research programme demonstrations. Through the use of live video via the Internet, LiveCity utilizes the development of communication applications for education, health, cultural information and citizen services.

# STRATEGIC PLAN

The company's business model is called upon to adapt to an adverse macroeconomic environment, not only in Greece but also in the rest of the European countries in which OTE operates, and at the same time to respond to the fast-track and high demand market of telecommunications.

As part of its transformation into a high performance company, OTE is focused, through its strategic plan, on remaining a financially robust company and reinforcing its operational performance in order to be able to continuously offer best-in-class services and a unique customer experience, based on its technologically advanced telecommunications network.

Specifically, OTE aspires to:

➤ **Provide its customers with best-in-class services based on advanced, high-performance networks**

- Network upgrade and transformation in fixed-line and mobile telephony
- Dynamic development of Next Generation Networks
- Network homogenization as part of the fixed-line and mobile telephony synergies.

➤ **Ensure that the Company delivers the best overall customer experience**

- OTE must be customers' number one choice
- Emphasis should be placed on best-in-class services, on customer service and on enhancing a corporate culture based on customer experience
- Optimization of procedures that concern the customer.

➤ **Remain the undisputed leader in fixed-line and mobile telephony service offering (core businesses)**

- Enhance competitiveness (through best-in-class single, double, triple play products and fixed-line and mobile telephony convergence)
- Retain market shares.

➤ **Achieve a leading position in the emerging broadband markets (fixed-line and mobile), ICT, cloud, M2M and Pay-TV in Greece and create new revenue streams.**

➤ **Become the best employer in Greece, work towards the continuous development of its personnel and attract talented employees.**

➤ **Enhance the value generated for its shareholders through the optimization of its operations and cost reduction.**

➤ **Maximize the benefits from the participation of Deutsche Telekom in OTE Group.**

**Customer  
experience  
is our priority**

