



**HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
(OTE)**

**INTERIM FINANCIAL STATEMENTS
(SEPARATE AND CONSOLIDATED)
AS OF 31 MARCH 2008
IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS**

(TRANSLATED FROM THE GREEK ORIGINAL)

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
AP.M.A.E. 347/06/B/86/10
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HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM BALANCE SHEETS (SEPARATE AND CONSOLIDATED)
AS OF 31 MARCH 2008

(Amounts in millions of Euro)

	Notes	31 MARCH 2008		31 DECEMBER 2007	
		COMPANY	GROUP	COMPANY	GROUP
ASSETS					
Non - current assets					
Property, plant and equipment		2,279.8	6,164.7	2,361.9	6,371.4
Goodwill		-	540.4	-	541.5
Telecommunication licenses		3.3	384.4	3.4	396.2
Investments	4	4,866.3	158.1	4,104.9	158.4
Advances to pension funds		222.3	222.3	229.8	229.8
Deferred taxes		156.5	97.0	158.3	94.6
Other non-current assets		98.2	678.5	98.0	678.6
Total non - current assets		7,626.4	8,245.4	6,956.3	8,470.5
Current assets:					
Inventories		24.3	197.3	34.7	201.7
Trade receivables		808.9	1,202.1	758.6	1,172.0
Other current assets		164.0	407.3	180.8	372.5
Cash and cash equivalents		369.9	1,362.9	453.1	1,316.3
Total current assets		1,367.1	3,169.6	1,427.2	3,062.5
TOTAL ASSETS		8,993.5	11,415.0	8,383.5	11,533.0
EQUITY AND LIABILITIES					
Equity attributable to shareholders of the parent:					
Share capital	5	1,171.5	1,171.5	1,171.5	1,171.5
Share premium	14	486.9	486.9	485.9	485.9
Statutory reserve		312.1	312.1	312.1	312.1
Consolidation reserve	4	-	(3,236.0)	-	(2,533.8)
Retained earnings		1,610.1	2,667.1	1,596.9	2,595.8
		3,580.6	1,401.6	3,566.4	2,031.5
Minority interest		-	935.9	-	1,023.1
Total equity		3,580.6	2,337.5	3,566.4	3,054.6
Non - current liabilities:					
Long-term debt	6	3,374.0	6,032.2	1,285.2	3,947.1
Provision for staff leaving indemnities		214.5	233.2	211.5	230.3
Cost of voluntary leave scheme		219.8	219.8	217.5	217.5
Provision for Youth account		274.2	274.2	273.5	273.5
Other non - current liabilities		44.2	240.0	41.4	233.6
Total non - current liabilities		4,126.7	6,999.4	2,029.1	4,902.0
Current liabilities:					
Suppliers		536.3	820.8	608.9	931.5
Short-term loans	7	-	3.3	1,494.2	1,497.4
Short-term portion of long-term debt	6	17.5	78.2	17.5	83.3
Income tax		37.6	119.0	24.6	83.0
Deferred revenue		146.6	223.9	135.3	189.2
Cost for voluntary leave scheme		184.6	184.6	200.2	200.2
Dividends payable		3.9	3.9	4.0	4.0
Other current liabilities		359.7	644.4	303.3	587.8
Total current liabilities		1,286.2	2,078.1	2,788.0	3,576.4
TOTAL EQUITY AND LIABILITIES		8,993.5	11,415.0	8,383.5	11,533.0

The accompanying notes on pages 8 – 23 form an integral part of these Interim Financial Statements

The Financial Statements presented on pages 3 - 23, were approved by the Board of Directors on 28 May 2008 and are signed on its behalf by:

Chairman
& Managing Director

Chief Financial Officer

Chief Accounting Officer

Panagis Vourloumis

Christini Spanoudaki

Konstantinos Vasilopoulos

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM INCOME STATEMENTS (SEPARATE AND CONSOLIDATED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2008

	Notes	1/1/2008 - 31/3/2008		1/1/2007 - 31/3/2007	
		COMPANY	GROUP	COMPANY	GROUP
<i>(Amounts in millions of Euro, except share and per share data)</i>					
Revenues:					
Domestic telephony	9	349.1	466.0	384.0	526.8
International telephony	9	52.9	78.9	40.7	70.7
Mobile telephony	9	-	559.8	-	494.3
Other revenues	9	231.3	432.8	236.2	416.8
Total revenues		633.3	1,537.5	660.9	1,508.6
Operating expenses:					
Employee costs		(175.6)	(300.5)	(177.9)	(301.7)
Cost of early retirement program	10	(12.2)	(41.8)	(22.1)	(22.1)
Charges from international operators		(29.3)	(48.1)	(35.0)	(47.8)
Charges from domestic operators		(72.2)	(155.6)	(78.2)	(153.5)
Depreciation and amortization		(120.4)	(294.3)	(130.1)	(279.3)
Cost of telecommunications equipment		(20.5)	(153.3)	(20.1)	(152.9)
Other operating expenses	11	(115.9)	(304.4)	(121.4)	(291.0)
Total operating expenses		(546.1)	(1,298.0)	(584.8)	(1,248.3)
Operating income before financial results		87.2	239.5	76.1	260.3
Financial results:					
Interest expense		(53.0)	(87.1)	(21.6)	(57.4)
Interest income		9.0	18.5	11.2	19.8
Foreign currency differences		0.5	5.8	(0.3)	5.8
Gains/(losses) from investments		(1.5)	13.8	5.8	12.7
Total financial results		(45.0)	(49.0)	(4.9)	(19.1)
Profit before tax		42.2	190.5	71.2	241.2
Income tax		(15.2)	(53.6)	(20.9)	(63.5)
Profit for the period		27.0	136.9	50.3	177.7
Attributable to:					
Shareholders of the parent		27.0	141.1	50.3	140.9
Minority interest		-	(4.2)	-	36.8
		27.0	136.9	50.3	177.7
Basic earnings per share	13	0.0551	0.2879	0.1026	0.2875
Diluted earnings per share	13	0.0551	0.2879	0.1026	0.2875
Weighted average number of shares		490,150,389	490,150,389	490,150,389	490,150,389

The accompanying notes on pages 8 – 23 form an integral part of these Interim Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM STATEMENT OF CHANGES IN EQUITY (SEPARATE)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2008

(Amounts in millions of Euro)

	<u>Share Capital</u>	<u>Share Premium</u>	<u>Statutory Reserve</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance at 31 December 2006	<u>1,171.5</u>	<u>485.9</u>	<u>283.3</u>	<u>1,309.0</u>	<u>3,249.7</u>
Unrealized gains on available-for-sale securities	-	-	-	3.9	3.9
Net income recognized directly in equity	-	-	-	3.9	3.9
Profit for the period	-	-	-	50.3	50.3
Balance at 31 March 2007	<u>1,171.5</u>	<u>485.9</u>	<u>283.3</u>	<u>1,363.2</u>	<u>3,303.9</u>
Balance at 31 December 2007	<u>1,171.5</u>	<u>485.9</u>	<u>312.1</u>	<u>1,596.9</u>	<u>3,566.4</u>
Unrealized gains on available-for-sale securities	-	-	-	(13.8)	(13.8)
Share option plan	-	1.0	-	-	1.0
Net income recognized directly in equity	-	1.0	-	(13.8)	(12.8)
Profit for the period	-	-	-	27.0	27.0
Balance at 31 March 2008	<u>1,171.5</u>	<u>486.9</u>	<u>312.1</u>	<u>1,610.1</u>	<u>3,580.6</u>

The accompanying notes on pages 8 - 23 form an integral part of these Interim Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2008

(Amounts in millions of Euro)

	Attributable to shareholders of the parent							
	Share Capital	Share Premium	Statutory Reserve	Consolidation Reserve	Retained Earnings	Total	Minority Interest	Total equity
Balance at 31 December 2006	1,171.5	485.9	283.3	(580.3)	2,304.4	3,664.8	1,223.9	4,888.7
Unrealized gains on available-for-sale securities	-	-	-	-	3.9	3.9	-	3.9
Foreign currency translation	-	-	-	-	3.3	3.3	(13.3)	(10.0)
Net change of investment in subsidiaries	-	-	-	-	-	-	5.7	5.7
Net income recognized directly in equity	-	-	-	-	7.2	7.2	(7.6)	(0.4)
Profit for the period	-	-	-	-	140.9	140.9	36.8	177.7
Balance at 31 March 2007	1,171.5	485.9	283.3	(580.3)	2,452.5	3,812.9	1,253.1	5,066.0
Balance at 31 December 2007	1,171.5	485.9	312.1	(2,533.8)	2,595.8	2,031.5	1,023.1	3,054.6
Unrealized gains on available-for-sale securities	-	-	-	-	(13.8)	(13.8)	-	(13.8)
Share option plan	-	1.0	-	-	-	1.0	-	1.0
Foreign currency translation	-	-	-	-	(56.0)	(56.0)	(23.7)	(79.7)
Net change of investment in subsidiaries	-	-	-	(702.2)	-	(702.2)	(59.3)	(761.5)
Net income recognized directly in equity	-	1.0	-	(702.2)	(69.8)	(771.0)	(83.0)	(854.0)
Profit for the period	-	-	-	-	141.1	141.1	(4.2)	136.9
Balance at 31 March 2008	1,171.5	486.9	312.1	(3,236.0)	2,667.1	1,401.6	935.9	2,337.5

The accompanying notes on pages 8 - 23 form an integral part of these Interim Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM STATEMENTS OF CASH FLOWS (SEPARATE AND CONSOLIDATED)
FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2008

	<u>1/1/2008 - 31/3/2008</u>		<u>1/1/2007 - 31/3/2007</u>	
	<u>COMPANY</u>	<u>GROUP</u>	<u>COMPANY</u>	<u>GROUP</u>
<i>(Amounts in millions of Euro)</i>				
Cash flows from operating activities				
Profit before tax	42.2	190.5	71.2	241.2
Adjustments for:				
Depreciation and amortization	120.4	294.3	130.1	279.3
Cost of early retirement program	12.2	41.8	22.1	22.1
Provisions	38.6	46.9	36.9	47.3
Foreign currency translation differences	(0.5)	(5.8)	0.3	(5.8)
Investment (income)/losses	(7.5)	(32.3)	(17.0)	(32.5)
Amortization of advances to EDEKT pension fund	8.8	8.8	8.8	8.8
Interest expense and related expenses	53.0	87.1	21.6	57.4
Adjustments for changes in working capital:				
Decrease/ (increase) in inventories	10.4	4.4	6.8	(2.5)
Decrease/ (increase) in trade receivables	(61.0)	(126.1)	(127.9)	(51.9)
(Decrease)/ increase in liabilities (except bank liabilities)	(74.3)	(150.9)	(108.3)	(183.7)
Minus:				
Interest paid and related expenses paid	(28.8)	(28.5)	-	(46.3)
Income taxes paid	(0.4)	(7.7)	-	(12.8)
Net cash from operating activities	113.1	322.5	44.6	320.6
Cash flows from investing activities				
Acquisition of subsidiaries, associates, joint ventures and other investments	(762.9)	(762.9)	-	(19.3)
Loans granted	-	-	(113.6)	(53.6)
Purchase of property, plant and equipment and intangible assets	(39.1)	(139.0)	(41.6)	(223.2)
Proceeds from sale of property, plant and equipment and investments	-	-	5.8	6.3
Other long-term liabilities	-	-	-	144.5
Interest received	5.8	10.0	6.9	13.7
Net cash used in investing activities	(796.2)	(891.9)	(142.5)	(131.6)
Cash flows from financing activities				
Proceeds from minority shareholders for increase of subsidiary's share capital	-	16.9	-	12.6
Proceeds from issue of receipt of loans	2,700.0	2,700.0	-	-
Repayment of loans	(2,100.0)	(2,100.8)	-	(519.6)
Dividends paid to the shareholders of the parent	(0.1)	(0.1)	-	(0.4)
Net cash from/(used) in financing activities	599.9	616.0	-	(507.4)
Net increase / (decrease) in cash and cash equivalents	(83.2)	46.6	(97.9)	(318.4)
Cash and cash equivalents at beginning of period	453.1	1,316.3	814.7	2,042.5
Cash and cash equivalents at end of period	369.9	1,362.9	716.8	1,724.1

The accompanying notes on pages 8 - 23 form an integral part of these Interim Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF 31 MARCH 2008
(Amounts in millions of Euro, unless otherwise stated)

1. COMPANY'S FORMATION AND OPERATIONS

The Hellenic Telecommunications Organization S.A. (hereinafter referred to as the "Company" or "OTE"), was founded in 1949 and is registered in Societe Anonymes Records (M.A.E.) with the number 347/06/B/86/10.

The address of its registered office is: 99 Kifissias Avenue – 151 24 Maroussi Athens, Greece, while its website is www.ote.gr.

OTE's main activities are to provide telecommunications and related services.

OTE Group (hereinafter referred to as the "Group") include the financial statements of OTE and the financial statements of the companies where OTE has control either directly (subsidiaries) or indirectly (subsidiaries of its subsidiaries).

The attached Separate and Consolidated Financial Statements (hereafter the «Financial Statements») as at 31 March 2008 were approved for issuance by the Board of Directors on 28 May 2008.

The number of employees of the Group and the Company as at 31 March 2008 was: Group: 34,715 (31 March 2007 : 33,181), Company: 11,548 (31 March 2007: 11,720).

The subsidiaries which are included in the Group, have been included in the Consolidated Financial Statements by the full consolidation method and are the following:

<u>Company Name</u>	<u>Line of Business</u>	<u>Country</u>	<u>Ownership interest</u>	
			<u>31/3/2008</u>	<u>31/12/2007</u>
<u>Direct Ownership</u>				
• COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE")	Mobile telecommunications services	Greece	99.04%	90.72%
• OTE INTERNATIONAL INVESTMENTS LTD	Investment holding company	Cyprus	100.00%	100.00%
• HELLAS SAT CONSORTIUM LIMITED ("HELLAS-SAT")	Satellite communications	Cyprus	99.05%	99.05%
• COSMO-ONE HELLAS MARKET SITE S.A. ("COSMO-ONE")	E-commerce services	Greece	61.44%	58.87%
• OTENET S.A. ("OTENET")	Internet services	Greece	100.00%	100.00%
• HELLASCOM S.A. ("HELLASCOM")	Telecommunication services	Greece	100.00%	100.00%
• OTE PLC	Financing services	United Kingdom	100.00%	100.00%
• OTE SAT-MARITEL S.A. ("OTE SAT – MARITEL")	Satellite telecommunication services	Greece	94.08%	94.08%
• OTE PLUS S.A. ("OTE PLUS")	Consulting services	Greece	100.00%	100.00%
• OTE ESTATE S.A. ("OTE ESTATE")	Real estate	Greece	100.00%	100.00%
• OTE INTERNATIONAL SOLUTIONS S.A. ("OTE-GLOBE")	Wholesale telecommunications services	Greece	100.00%	100.00%
• HATWAVE HELLENIC-AMERICAN TELECOMMUNICATIONS WAVE LTD. ("HATWAVE")	Investment holding company	Cyprus	52.67%	52.67%
• OTE INSURANCE AGENCY S.A. ("OTE INSURANCE")	Insurance brokerage services	Greece	100.00%	100.00%
• OTE ACADEMY S. A. ("OTE ACADEMY")	Training services	Greece	100.00%	100.00%

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
NOTES TO THE INTERIM FINANCIAL STATEMENTS AS OF 31 MARCH 2008
(Amounts in millions of Euro, unless otherwise stated)

1. COMPANY'S FORMATION AND OPERATIONS (continued)

<u>Company Name</u> <u>Indirect Ownership</u>	<u>Line of Business</u>	<u>Country</u>	<u>Ownership interest</u>	
			<u>31/3/2008</u>	<u>31/12/2007</u>
• ROMTELECOM S.A. ("ROMTELECOM")	Fixed line telecommunication services	Romania	54.01%	54.01%
• S.C. COSMOTE ROMANIAN MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE ROMANIA")	Mobile telecommunication services	Romania	85.53%	79.71%
• OTE MTS HOLDING B.V.	Investment holding company	Netherlands	99.04%	90.72%
• COSMOFON MOBILE TELECOMMUNICATIONS SERVICES A.D. – SKOPJE ("COSMOFON")	Mobile telecommunication services	FYROM	99.04%	90.72%
• COSMO BULGARIA MOBILE EAD ("GLOBUL")	Mobile telecommunication services	Bulgaria	99.04%	90.72%
• COSMO-HOLDING ALBANIA S.A. ("CHA")	Investment holding company	Greece	96.07%	88.00%
• ALBANIAN MOBILE COMMUNICATIONS Sh.a ("AMC")	Mobile telecommunication services	Albania	81.66%	74.80%
• COSMOHOLDING CYPRUS LTD ("COSMOHOLDING CYPRUS")	Investment holding company	Cyprus	89.14%	81.65%
• GERMANOS S.A. ("GERMANOS")	Retail services	Greece	89.14%	81.65%
• E-VALUE S. A.	Marketing services	Greece	89.14%	81.65%
• GERMANOS TELECOM SKOPJE S.A.	Retail services	FYROM	89.14%	81.65%
• GERMANOS TELECOM ROMANIA S.A.	Retail services	Romania	89.13%	81.64%
• SUNLIGHT ROMANIA S.R.L.-FILIALA	Retail services	Romania	89.13%	81.64%
• TEL SIM S.R.L.	Retail services	Romania	89.14%	81.65%
• GERMANOS TELECOM BULGARIA A.D.	Retail services	Bulgaria	89.14%	81.65%
• MOBILBEEEP LTD	Retail services	Greece	89.14%	81.65%
• GRIGORIS MAVROMICHALIS & PARTNERS LTD	Retail services	Greece	88.25%	80.82%
• IOANNIS TSAPARAS & PARTNERS LTD	Retail services	Greece	45.46%	41.64%
• ALBATROS & PARTNERS LTD	Retail services	Greece	89.13%	81.64%
• VOICENET S.A. ("VOICENET")	Telecommunication services	Greece	84.07%	84.07%
• OTENET CYPRUS LTD	Investment holding company	Cyprus	77.83%	76.33%
• OTENET TELECOMMUNICATIONS LTD	Telecommunication services	Cyprus	72.59%	71.61%
• HELLAS SAT S.A.	Satellite telecommunication services	Greece	99.05%	99.05%
• OTE INVESTMENT SERVICES S.A.	Investment holding company	Greece	100.00%	100.00%
• OTE PLUS BULGARIA	Consulting services	Bulgaria	100.00%	100.00%
• OTE PLUS ROMANIA	Consulting services	Romania	100.00%	100.00%

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting".

These Financial Statements do not include all the information required for the preparation of a complete set of annual financial statements and therefore they should be examined in conjunction with the published most recent annual financial statements as of 31 December 2007, which are available on the Company's website (www.ote.gr).

The Financial Statements have been prepared on the historical cost basis except for specific assets and liabilities which are measured at fair values in accordance with IFRS. All amounts are presented in millions of Euro, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and accounting estimates adopted by OTE for the preparation of the Financial Statements as of 31 March 2008, are the same with those referred to, in the notes to the financial statements as of 31 December 2007.

New Standards, Interpretations and Amendments to existing Standards not yet adopted:

The International Accounting Standard Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), have issued new IFRS, amendments and interpretations to existing standards, which are effective for financial periods beginning on or after 1 January 2008.

- **IFRS 8 Operating Segments** is effective for financial periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 and introduces the “management approach” to segment reporting. IFRS 8 will require the disclosure of segment information based on the internal reports regularly reviewed by the Group’s Chief Operating Decision Maker in order to assess each segment’s performance and to allocate resources to them. The new Standard is not expected to have significant effect on the Group’s financial statements.
- **IFRIC 11 – IFRS 2 Group and Treasury Share Transactions** is effective for financial periods beginning on or after 1 March 2007. IFRIC 11 requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments are obtained. It is not expected to have significant effect on the Group’s financial statements.
- **IFRIC 12 –Service Concession Arrangements** is effective for financial periods beginning on or after 1 January 2008. IFRIC 12 provides guidance on certain recognition and measurement issues that arise in accounting for public-to-private service concession arrangements. Is not expected to have significant effect on the Group’s financial statements.
- **IFRIC 13 – Customer Loyalty Programmes** is effective for financial periods beginning on or after 1 July 2008. IFRIC 13 addresses the accounting by entities that operate, or otherwise participate in customer loyalty programmes under which the customer can redeem credits for awards such as free or discounted goods or services. It is not expected to have significant effect on the Group’s financial statements.
- **IFRIC 14 IAS 19 – The Limit in a Defined Benefit Asset, Minimum Funding Requirements and their Interaction** is effective for financial years beginning on or after 1 January 2008. IFRIC 14 clarifies when refunds or reductions in the future contributions in relation to defined benefit assets should be regarded as available and provides guidance on the impact of minimum funding requirements (MFR) on such assets. It also addresses when a MFR might give rise to a liability. It is not expected to have significant effect on the Group’s financial statements and it has not been approved by the European Union.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

- **Amendments to IAS 1 Presentation of Financial Statements** are effective for financial periods beginning on or after 1 January 2009. IAS 1 has been revised to upgrade the quality of the information presented in financial statements. The main changes relate to the statement of changes in equity, which is required to include only the transactions with the shareholders, the introduction of a new statement of comprehensive income, which presents all components of recognized income and expenses that are in the statement of comprehensive income and the requirement to present the effect of the application of new standards on prior periods in a separate column on the financial statements. The revised standard has not been approved by the European Union.
- **Revised IAS 23 Borrowing Costs** is effective for financial periods beginning on or after 1 January 2009. It does not permit the option of immediately recognizing all borrowing costs as an expense and requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised standard is not expected to impact the Group's Financial Statement given the fact that the Group already capitalizes all borrowing costs. The revised standard has not yet been approved by the European Union.
- **Revised IFRS 3 Business Combinations and amended IAS 27 Consolidated and Separate Financial Statements** is effective for financial periods beginning on or after 30 June 2009. The revised IFRS 3 introduces a series of changes in the accounting treatment of business combinations which will affect the amount of the recognized goodwill, the income statement for the year that the business combination takes place and future results. These changes include the recognition as expenses of the costs related to the acquisition and the recognition of the future changes in fair value of the consideration in Income (instead of adjusting goodwill). Revised IAS 27 requires that acquisitions of minority interests are recognized in equity. Therefore, they do not affect goodwill or create a result in Income (gain or loss). Furthermore, the revised standard is applicable for the transactions after the transition date. The above mentioned changes have not yet been approved by the European Union.
- **Amendments to IAS 32 Financial Instruments and IAS 1 Presentation of Financial Statements – Puttable Financial Instruments** are effective for financial periods beginning on or after 1 January 2009. The amendments to IAS 32 require that puttable financial instruments and obligations arising in liquidation are classified as equity if and only if they meet certain conditions. The amendments to IAS 1 require disclosures with respect to the puttable financial instruments that are classified as equity instruments. These amendments are not expected to have significant effect on the Group's financial statements and have not been approved by the European Union.
- **Amendments to IFRS 2 Share based payment** are effective for annual financial periods beginning on or after 1 January 2009. The amendment clarifies two issues: The definition of "vesting condition", introducing the term "non-vesting condition" for conditions other than service conditions and performance conditions. It also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. These amendments are not expected to have significant effect on the Group's financial statements and have not been approved by the European Union.

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4. INVESTMENTS

Investments are analyzed as follows:

	31/3/2008		31/12/2007	
	COMPANY	GROUP	COMPANY	GROUP
(a) Investments in subsidiaries	4,708.6	-	3,947.1	-
(b) Other investments	157.7	158.1	157.8	158.4
	4,866.3	158.1	4,104.9	158.4

(a) Investments in subsidiaries are analyzed as follows:

	31/3/2008	31/12/2007
• COSMOTE	3,415.8	2,654.3
• OTE INTERNATIONAL INVESTMENTS LTD	497.9	497.9
• HELLAS-SAT	194.7	194.7
• COSMO-ONE	3.2	3.2
• OTENET	32.1	32.1
• HELLASCOM	8.4	8.4
• OTE SAT- MARITEL	11.2	11.2
• OTE PLC	35.0	35.0
• OTE PLUS	3.8	3.8
• OTE ESTATE	336.3	336.3
• INFOTE	163.7	163.7
• OTE-GLOBE	0.6	0.6
• OTE INSURANCE	5.9	5.9
• OTE ACADEMY	4,708.6	3,947.1

Included in investments in subsidiaries are the amounts of loans granted by OTE to its subsidiaries and are outstanding at the balance sheet date. As at 31 March 2008 the outstanding balance of these is Euro 35,0 and relates to a loan that was granted to OTE PLC.

On 9 November 2007, following the Board of Directors' approval, OTE announced the submission of a Public Tender Offer for the acquisition of the total outstanding common shares of COSMOTE for a price of Euro 26.25 (in absolute amount) per share.

As at 31 December 2007, OTE owned 303,725,198 shares, which represented approximately 90.72% of COSMOTE's share capital and voting rights.

On 29 January 2008, the tender offer's acceptance period for the acquisition of COSMOTE's shares was ended. During January 2008 and with the completion of the deposit of the acceptance applications by 5,044 shareholders, OTE acquired 27,503,293 shares of COSMOTE representing 8.187% of COSMOTE's share capital. As a result, on 29 January 2008, OTE held 331,228,491 shares representing 98.592% of COSMOTE's share capital with the corresponding voting rights.

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4. INVESTMENTS (continued)

According to Article 27 of L.3461/2006 on 27 February 2008, OTE submitted to the Hellenic Capital Market Commission a request for the squeeze out of the remaining shares of COSMOTE at a price equal to that of the Public Offer, i.e. EUR 26.25 per share (in absolute amount) (Squeeze-Out Right). It is noted that according to Article 28 of the same Law, the remaining shareholders have the right to sell their shares to the Proposing Party through the Stock Exchange within three months as of the end of the acceptance period (Sell-Out Right). After the end of the exercise period, OTE intends to begin the procedure for the delisting of the COSMOTE's shares from the Athens Stock Exchange and of the GDRs from the London Stock Exchange (L.S.E.). According to the decision 7/446/7.3.2008 of the Hellenic Capital Market Commission, the above request was approved and COSMOTE's shares were delisted on 1 April 2008 (See Note 17 for subsequent events).

As at 31 March 2008, OTE owned 332,733,711 shares, which represented approximately 99.04% of COSMOTE's share capital and voting rights.

The goodwill of Euro 702,2 which resulted from the acquisition of COSMOTE's minority rights, was recognized directly in Equity in the Consolidated Financial Statements (in line "Consolidation Reserve"), as it relates to the acquisition of minority in entities that control already exists.

On 28 February 2008, OTE announced its intention to sell its total investment in OTENET CYPRUS LTD and OTENET TELECOMMUNICATIONS LTD which operate in the telecommunication and internet services section. OTE signed an agreement with Cyprus Trading Corporation PLC (CTC) for an amount of approximately Euro 3.9. The agreement is subject to the approval of the Cyprus Competition Committee. The transaction is expected to be concluded within the first half of 2008.

Following the decision of OTE's management and the relevant approvals, on 19 March 2008 OTE and OTENET signed a Draft Merger Agreement, which was approved by the Board of Directors of OTE and OTENET. The absorption is expected to be completed within the first semester of 2008 after all necessary and required approvals by the respective authorized parties will have been obtained.

For information purposes only, OTE's condensed income statement of the first quarter 2008 and OTE's condensed balance sheet as of 31 March 2008 are stated below, as if the merger had been completed:

Condensed Income Statement	
1/1/2008 - 31/3/2008	
Revenues	638.0
Operating Expenses	<u>(548.5)</u>
Operating Income	<u>89.5</u>
Other income /(expense)	<u>(44.9)</u>
Profit before tax	44.6
Income tax	<u>(15.9)</u>
Profit for the period	<u><u>28.7</u></u>

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4. INVESTMENTS (continued)

Condensed Balance Sheet
31 March 2008

Assets	
Non-current assets	7,608.1
Cash and cash equivalents	381.2
Other current assets	<u>975.1</u>
Total assets	<u><u>8,964.4</u></u>
Liabilities	
Non-current liabilities	4,127.6
Current liabilities	<u>1,271.4</u>
Total liabilities	<u><u>5,399.0</u></u>
Equity	<u><u>3,565.4</u></u>
Total equity and liabilities	<u><u>8,964.4</u></u>

(b) Other investments

OTE's other investments are analyzed as follows:

	<u>31/3/2008</u>	<u>31/12/2007</u>
Telekom Srbija	155.1	155.1
Other	<u>2.6</u>	<u>2.7</u>
	<u>157.7</u>	<u>157.8</u>

5. SHARE CAPITAL

OTE's share capital as at 31 March 2008 and 31 December 2007 amounted to Euro 1,171.5, divided into 490,150,389 registered shares, with a nominal value of EUR 2.39 (in absolute figure) each.

As at 31 March 2008, Hellenic State's direct participation was approximately 24.96% while together with D.E.K.A. S.A. its participation was 28.03%.

On 31 December 2007 MARFIN Investment Group's participation in OTE share capital, after purchases through Athens Stock Exchange, was 18.89%.

On 17 March 2008, MARFIN Investment Group announced that it signed an agreement with Deutsche Telekom A.G. for the sale of 98,026,324 shares for Euro 26 (in absolute figure) each. (See Note 17 Subsequent events).

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
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6. LONG -TERM DEBT

Long-term debt is analyzed as follows:

<u>COMPANY</u>	<u>31/3/2008</u>	<u>31/12/2007</u>
(a) Loan from European Investment Bank	36.4	36.4
(b) Inter-company loan from OTE PLC	3,355.1	1,266.3
Total long-term debt	3,391.5	1,302.7
Current maturities	(17.5)	(17.5)
Long-term portion	3,374.0	1,285.2
<u>GROUP</u>		
(a) Loan from European Investment Bank	36.4	36.4
(b) Consortium loans	500.0	500.0
(c) Global Medium Term Note Programme	5,450.9	3,360.4
(d) Other bank loans	123.1	133.6
Total long-term debt	6,110.4	4,030.4
Current maturities	(78.2)	(83.3)
Long-term portion	6,032.2	3,947.1

On 12 February 2008 OTE PLC completed the issuance of two bonds amounting to Euro 1,500 and Euro 600 under the Global Medium Term Note Programme, for the refinancing of the balance of the short-term loan of Euro 2,100 which was obtained in November 2007 for the acquisition of COSMOTE's shares by OTE.

Specifically, OTE PLC issued:

- a) Fixed rate bond of Euro 1,500, maturing on 14 February 2011 with a coupon for 5.375% and
- b) Fixed rate bond of Euro 600, maturing on 12 February 2015, with a coupon of 6.0%.

The bond terms include a step-up clause according to the credit rating of OTE. The bond coupon could increase by 1.25% in the case that:

- a) one or both of the two credit rating agencies (Moody's and S&P) downgrades the rating to BB+, Ba1 and under (sub-investment grade), or
- b) both rating agencies (Moody's and S&P) cease or are unable to perform the credit rating of OTE.

The coupon could increase only one during the whole bond duration and for the period the credit rating of OTE remains at sub-investment grade.

The bonds include a Change of Control clause applicable to OTE which is triggered if both of the following events occur:

- a) any person or persons acting in concert (other than the Hellenic Republic) at any time directly or indirectly come (s) to own or acquire (s) more than 50% of the issued ordinary share capital or of the voting rights of OTE, and
- b) as a consequence of (a), the rating previously assigned to the bonds by any international rating agency is withdrawn or down graded to BB+/Ba1 or their respective equivalents (non-investment grade), within a specific period and under specific terms and conditions.

In accordance with the terms and conditions of the bonds, in the event that the Change of Control clause is triggered, OTE PLC shall promptly give written notice to the bond holders who in turn shall have the option within 45 days to require OTE PLC to redeem the bonds (put option), at their principal amounts together with accrued interest up to the date of redemption.

7. SHORT-TERM LOANS

On 9 November 2007, OTE PLC, under the full guarantee of OTE signed a short term credit facility agreement for an amount of Euro 2.7 billion with a consortium of banks, for the financing of the acquisition of minority shares of COSMOTE by OTE. As at 31 December 2007 an amount of Euro 1.5 billion had been drawn-down.

During the first quarter 2008 an additional amount of Euro 600 was drawn-down.

With the completion of the issuance of the two bonds amounting to Euro 1,500 and Euro 600 under the Global Medium Term Note Programme (See Note 6), the outstanding balance of the above mentioned short term credit facility was fully repaid.

After the repayment, the outstanding balance of Group's short-term loans as at 31 March 2008, amounted to Euro 3.3.

8. INCOME TAXES

In accordance with the Greek tax regulations (Law 3296/2004), the income tax rate is 25% for 2007 and onwards.

The Company and its subsidiaries have not been audited by the tax authorities as described below:

<u>Company Name</u>	<u>Unaudited Tax Years</u>
<u>Direct Investment</u>	
• OTE	From 2006
• COSMOTE	From 2006
• OTE INTERNATIONAL INVESTMENTS LTD	From 1998
• HELLAS SAT	From 2003
• COSMO-ONE	From 2002
• OTENET	From 2007
• HELLASCOM	From 2006
• OTE PLC	From 2005
• OTE SAT-MARITEL	From 2004
• OTE PLUS	From 2005
• OTE ESTATE	From 2001
• OTE GLOBE	From 2002
• OTE INSURANCE	From 2003
• OTE ACADEMY	From 2000
• HATWAVE	From 1996

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8. INCOME TAXES (continued)

<u>Company Name</u>	<u>Unaudited Tax Years</u>
<u>Indirect Investment</u>	
• OTE INVESTMENT SERVICES S.A.	From 2005
• ROMTELECOM	From 2006
• AMC	From 2006
• COSMOFON	From 2001
• GLOBUL	From 2005
• COSMOTE ROMANIA	From 2004
• GERMANOS	From 2004
• E-VALUE S.A.	From 2003
• GERMANOS TELECOM SKOPJE S.A.	From 2003
• GERMANOS TELECOM ROMANIA S.A.	From 2003
• SUNLIGHT ROMANIA S.R.L.-FILIALA	From 2001
• GERMANOS TELECOM BULGARIA A.D.	From 2005
• MOBILBEEEP LTD	From 2005
• GRIGORIS MAVROMICHALIS & PARTNERS LTD	From 2006
• IOANNIS TSAPARAS & PARTNERS LTD	From 2004
• ALBATROS & PARTNERS LTD	From 2006
• TEL SIM S.R.L	From 2007 (establishment)
• HELLAS SAT S.A.	From 2002
• VOICENET	From 2004
• OTENET CYPRUS LTD	From 2000
• OTENET TELECOMMUNICATIONS LTD	From 2001
• OTE MTS HOLDING B.V.	From 2001
• CHA	From 2007
• COSMO-HOLDING CYPRUS	From 2006
• OTE PLUS ROMANIA	--
• OTE PLUS BULGARIA	Tax exemption

In ROMTELECOM, the tax audit of the company's books for the fiscal years 2001 – 2005 was completed in March 2008.

In GERMANOS the tax audit of the company's books for the fiscal years 2004-2005 is in progress, and is expected to be completed within 2008.

In OTE ESTATE the tax audit of the company's books for the fiscal years 2001-2002 is in progress, and is expected to be completed within 2008.

In OTE SAT - MARITEL, the tax audit of the company's books for the fiscal years 2004-2005 is in progress and is expected to be completed within 2008.

In HELLAS SAT, the tax audit of the company's books for the fiscal years 2003-2007 is in progress and is expected to be completed within 2008.

In COSMOTE ROMANIA, the tax audit of the company's books for the fiscal years 2004-2006 is in progress and is expected to be completed within 2008.

In E-VALUE S.A., the tax audit of the company's books for the fiscal years 2003-2005 is in progress and is expected to be completed within 2008.

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9. REVENUES

Revenues in the accompanying income statements consist of income from:

	COMPANY		GROUP	
	1st Quarter 2008	1st Quarter 2007	1st Quarter 2008	1st Quarter 2007
(i) Domestic Telephony				
• Monthly network service fees	160.2	171.0	233.0	254.1
• Local and long-distance calls				
- Fixed to fixed	113.9	130.5	128.1	157.3
- Fixed to mobile	57.2	65.5	82.0	93.4
	171.1	196.0	210.1	250.7
• Other	17.8	17.0	22.9	22.0
	349.1	384.0	466.0	526.8
(ii) International Telephony				
• International traffic	15.9	18.3	23.8	27.4
• Payments from international operators	25.8	13.1	43.0	33.2
• Payments from mobile operators	11.2	9.3	12.1	10.1
	52.9	40.7	78.9	70.7
(iii) Mobile Telephony	-	-	559.8	494.3
(iv) Other revenues				
• Prepaid cards	9.5	15.6	11.7	19.8
• Directories	0.7	0.5	0.7	14.2
• Leased lines and Data Communications/ATM	54.2	67.7	78.3	63.1
• ISDN	34.8	36.4	37.4	42.1
• Sales of telecommunication equipment	11.4	12.2	152.9	152.7
• Internet / ADSL	32.7	28.5	55.1	48.2
• Services rendered	52.6	36.6	39.3	22.7
• Interconnection charges	29.0	28.3	29.2	25.5
• Miscellaneous	6.4	10.4	28.2	28.5
	231.3	236.2	432.8	416.8
Total revenues	633.3	660.9	1,537.5	1,508.6

10. COST OF EARLY RETIREMENT PROGRAM

On 28 February 2008, OTE's management and OME-OTE (the employee's union) signed a Collective Labor Agreement according to which employees who would complete the number of years of service required for retirement by 29 December 2008 will be entitled to benefits providing they leave by 30 December 2008. Eligible employees should submit irrevocable applications by 21 March 2008. The relative total cost was determined to Euro 12.2 and is included in the income statement of the first quarter 2008.

11. OTHER OPERATING EXPENSES

Other operating expenses are analyzed as follows:

	COMPANY		GROUP	
	1 st Quarter 2008	1 st Quarter 2007	1 st Quarter 2008	1 st Quarter 2007
Services and fees	21.9	35.6	44.7	40.9
Cost of telecommunication material, repairs and maintenance	17.3	16.9	48.9	46.7
Advertising costs	12.3	10.3	43.2	42.5
Utilities	18.7	16.4	22.3	23.9
Provision for doubtful accounts	17.2	14.0	25.5	23.1
Other provisions	-	1.0	-	1.8
Travel costs	1.8	1.8	3.9	4.1
Commissions to independent distributors	-	-	65.3	56.1
Payments to audiotex providers	1.8	1.5	2.4	3.0
Rent	17.9	16.9	24.9	20.8
Taxes, other than income taxes	2.6	2.8	11.4	11.0
Transportation	0.9	1.0	2.2	2.5
Other	3.5	3.2	9.7	14.6
	115.9	121.4	304.4	291.0

12. SEGMENT REPORTING

The following information is provided for the reportable segments, which are separately disclosed in the financial statements and is regularly reviewed by the Group's chief operating decision makers.

Segments were determined based on the Group's legal structure, as the Group's chief operating decision makers review financial information separately reported by the parent company (OTE) and each of the Group's consolidated subsidiaries.

Using the quantitative thresholds OTE, Cosmote and, Romtelecom, have been determined as reportable segments. Information about operating segments that do not constitute reportable segments have been combined and disclosed in an "All Other" category.

Accounting policies of the segments are the same as those followed for the preparation of the financial statements. The Group evaluates segment performance based on operating income and net income.

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12. SEGMENT REPORTING (continued)

Segment information and reconciliation to the Group's consolidated figures are as follows:

<u>Three months period ended 31/3/2008</u>	<u>OTE</u>	<u>COSMOTE</u>	<u>ROMTELECOM</u>	<u>ALL OTHER</u>	<u>TOTALS</u>	<u>ADJUSTMENTS-ELIMINATIONS</u>	<u>GROUP</u>
Revenues from external customers	577.7	699.8	215.3	44.7	1,537.5	-	1,537.5
Intersegment Revenues	55.6	47.5	3.9	63.5	170.5	(170.5)	-
Total operating revenues	633.3	747.3	219.2	108.2	1,708.0	(170.5)	1,537.5
Operating expenses	(546.1)	(608.0)	(224.3)	(89.8)	(1,468.2)	170.2	(1,298.0)
Operating income	87.2	139.3	(5.1)	18.4	239.8	(0.3)	239.5
Net income	27.0	84.5	(10.9)	17.0	117.6	23.5	141.1

<u>Three months period ended 31/3/2007</u>	<u>OTE</u>	<u>COSMOTE</u>	<u>ROMTELECOM</u>	<u>ALL OTHER</u>	<u>TOTALS</u>	<u>ADJUSTMENTS-ELIMINATIONS</u>	<u>GROUP</u>
Revenues from external customers	602.4	647.0	216.0	43.2	1,508.6	-	1,508.6
Intersegment Revenues	58.5	40.6	6.1	53.5	158.7	(158.7)	-
Total operating revenues	660.9	687.6	222.1	96.7	1,667.3	(158.7)	1,508.6
Operating expenses	(584.8)	(557.3)	(186.4)	(76.6)	(1,405.1)	156.8	(1,248.3)
Operating income	76.1	130.3	35.7	20.1	262.2	(1.9)	260.3
Net income	50.3	74.7	28.9	14.0	167.9	(27.0)	140.9

13. EARNINGS PER SHARE

Earnings per share (after income taxes,) are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period, excluding the average number of own shares that the Company held during the period.

Earnings per share (after income taxes) are analyzed as follows:

	<u>COMPANY</u>		<u>GROUP</u>	
	<u>1st Quarter 2008</u>	<u>1st Quarter 2007</u>	<u>1st Quarter 2008</u>	<u>1st Quarter 2007</u>
Earnings attributable to the shareholders of the parent	27.0	50.3	141.1	140.9
Weighted average number of shares outstanding	490,150,389	490,150,389	490,150,389	490,150,389
Basic earnings per share	0.0551	0.1026	0.2879	0.2875
Diluted earnings per share	0.0551	0.1026	0.2879	0.2875

(Earnings per share are in absolute figures).

14. STOCK OPTION PURCHASE OF OTE SHARES SCHEME

Based on OTE' s repeating General Assembly of 3 April 2007, the Board of Directors' of 20 December 2007 approved the adoption of a management share option plan (the "Option Plan") based on performance conditions for OTE 's management personnel and Directors of subsidiaries.

According to the Option Plan, eligible employees at their initial participation are entitled to obtain a certain number of options ("Basic Option Rights"), while, in subsequent years, the Board may also grant to eligible employees further options ("Additional Option Rights").

The total number of the Basic Option Rights that have been granted to the beneficiaries is 3,141,620 rights.

The Option Rights are accounted for at their fair value. The fair value is reflected in the income statement during the vesting period. The amount that was charged in first quarter's income statement is Euro 1.0, with an equivalent increase in Share premium.

15. RELATED PARTY TRANSACTIONS

OTE's related parties are its subsidiaries, the members of the Board of Directors and the key management personnel of the Company.

The Company purchases goods and services from the related entities, provides goods and services to them, grants and obtains loans and finally receives dividends.

OTE's purchases and sales transactions with its related parties are analyzed as follows:

	1 st Quarter 2008		1 st Quarter 2007	
	OTE's sales	OTE's purchases	OTE's sales	OTE's purchases
COSMOTE	41.6	31.1	44.0	30.2
OTE INTERNATIONAL				
INVESTMENTS LTD	0.1	1.2	0.1	1.4
ROMTELECOM	-	-	0.6	-
HELLAS-SAT	0.2	0.4	0.1	0.4
COSMO-ONE	-	0.3	-	0.2
OTENET	6.8	10.8	11.1	8.7
HELLASCOM	0.1	1.9	-	1.6
OTE SAT- MARITEL	0.2	0.6	0.2	0.5
OTE PLUS	0.1	9.0	0.1	6.9
OTE ESTATE	0.1	15.5	0.5	14.9
INFOTE	-	-	1.4	0.2
OTE GLOBE	6.4	13.9	-	14.7
OTE ACADEMY	-	0.9	-	1.3
	55.6	85.6	58.1	81.0

15. RELATED PARTY TRANSACTIONS (continued)

OTE's interest income and interest expense with its related parties, are as follows:

	1st Quarter 2008		1st Quarter 2007	
	OTE's interest income	OTE's interest expense	OTE's interest income	OTE's interest expense
COSMOFON	0.9	-	0.9	-
OTE PLC	0.4	41.0	0.4	16.1
	1.3	41.0	1.3	16.1

OTE's receivables and payables with its related parties from their operating transactions are analyzed as follows :

	31/3/2008		31/12/2007	
	OTE's receivables	OTE's payables	OTE's receivables	OTE's payables
COSMOTE	44.3	27.8	39.4	34.4
OTE INTERNATIONAL INVESTMENTS LTD	0.2	0.7	0.2	1.4
HELLAS-SAT	4.3	0.6	4.6	0.6
COSMO-ONE	-	0.5	-	0.2
OTENET	34.3	25.5	30.9	22.0
HELLASCOM	-	1.1	-	1.4
OTE SAT- MARITEL	0.6	1.0	0.3	0.5
OTE PLUS	0.3	11.7	0.8	12.8
OTE ESTATE	1.6	16.7	3.1	31.7
OTE GLOBE	32.1	54.0	49.4	73.2
OTE ACADEMY	-	0.4	0.5	0.8
	117.7	140.0	129.2	179.0

OTE's receivables and payables with its related parties from loans granted and received, are analyzed as follows:

	31/3/2008		31/12/2007	
	OTE's receivables	OTE's payables	OTE's receivables	OTE's payables
COSMOFON	52.7	-	51.8	-
OTE PLC	35.8	3,409.9	35.4	2,787.0
	88.5	3,409.9	87.2	2,787.0

Fees paid to the members of the Board of Directors and key management personnel compensation charged in the Income Statements of the three month periods ended 31 March 2008 and 2007, amounted to Euro 0.8 and 0.8, respectively.

According to OTE's share option plan, 808.620 stock options have been granted to key management personnel.

16. LITIGATION AND CLAIMS

There are no significant developments in the litigation and claims, as compared with the cases that have been disclosed in the notes to the 31 December 2007 financial statements. Appropriate provisions have been established in relation to litigation and claims, the outcome of which can be reasonably estimated and is expected to be unfavorable for the Company.

17. SUBSEQUENT EVENTS

The most important events that have occurred after 31 March 2008 are the following:

1. Acquisition of COSMOTE's total (100%) common shares and the corresponding voting rights

Following OTE's Public Tender Offer for the acquisition of COSMOTE's common shares and after the completion of exercise of the Squeeze-Out Rights and of the Sell-Out Rights, since 9 April 2008 OTE holds 335,957,300 COSMOTE's common shares, which represent the 100% of its share capital and the corresponding voting rights.

2. Delisting of COSMOTE's shares from the Athens Stock Exchange

On 11 April 2008, COSMOTE announced that pursuant to the decision of the extraordinary General Assembly of its shareholders held on 10 April 2008, a request was submitted to the Hellenic Capital Market Commission, in accordance with par. 5 article 17 of Law 3371/2005, for the delisting of its shares from the Athens Stock Exchange. The request was approved by the Hellenic Capital Market Commission.

3. OTE ESTATE files a request for a license for the operation of a Real Estate Investment Company

On 10 April 2008 OTE's subsidiary OTE ESTATE filed a request with the Hellenic Capital Market Commission asking for a licence for the operation of a Real Estate Investment Company.

4. DEUTSCHE TELEKOM A.G's participation in OTE's share capital

On 20 May 2008, OTE announced that according to the notification of DEUTSCHE TELEKOM A.G, on 20 May 2008 DEUTSCHE TELEKOM A.G participates in OTE's share capital with 19.999234%, which corresponds to 98,026,324 shares and the corresponding voting rights, which were acquired from MARFIN Investment Group on 15 May 2008.

5. Downgrade OTE's rating by Moody's Investor Services

On 19 May 2008 OTE was classified by Moody's Investor Service to lower long-term rating from Baa1 to Baa2.

According to several terms included in the agreement between the Greek State and DEUTSCHE TELEKOM A.G.. Greek State's interest in OTE S.A. may potentially decrease below 20%. As a result of such term the Company's support by the Greek State downgraded to "low" instead of "average" until now. This modification resulted the long-term rating to Baa2. Since the Company's underlying business fundamentals and financial strength remain unchanged the rest of the factors used for the Company's rating have not been modified.

6. Acquisition of the 100% of VOICENET by OTENET

On 21 May 2008 the Board of Directors of OTENET decided for the acquisition of the remaining interest in its subsidiary VOICENET by SANYO HELLAS S.A., for a consideration of Euro 1.3.