HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

SIX MONTHS FINANCIAL REPORT

For the period
from January 1, 2011 to June 30, 2011

(TRANSLATED FROM THE GREEK ORIGINAL)

In accordance with Article 5 of Law 3556/2007

TABLE OF CONTENTS

I. STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS
(In accordance with article 5 par. 2 of Law 3556/2007)

The members of the Board of Directors of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.:

1. Michael Tsamaz, Chairman and Managing Director

2. Kevin Copp, Board Member

3. Panagiotis Tabourlos, Board Member

We confirm that to the best of our knowledge:

a. The Interim Condensed Financial Statements (Consolidated and Separate) of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. for the period January 1, 2011 to June 30, 2011, which have been prepared in accordance with the applicable accounting standards, provide a true and fair view of the assets and liabilities, the owners' equity and the results of the Group and the Company.

b. The Board of Directors' Report for the first half of the year provides a true and fair view of the financial position and the performance of the Group and the Company, including a description of the risks and uncertainties they are facing.

Maroussi, August 3, 2011

Chairman & Managing Director	Board Member	Board Member
Michael Tsamaz	Kevin Copp	Panagiotis Tabourlos

The two members of the Board of Directors, who have signed the above statements, have been authorized to do so in accordance with the decision of the Company's Board of Directors of August 3, 2011.

II. HALF YEAR REPORT OF THE BOARD OF DIRECTORS

The report of the Board of Directors of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (hereinafter referred to as "OTE" or the "Company") was prepared in accordance with article 5 of Law 3556/2007 and refers to the Interim Condensed Financial Statements (Consolidated and Separate) as of June 30, 2011 and for the six month period then ended. The OTE Group (the "Group") apart from the Company also includes subsidiaries over which OTE has direct or indirect control. The Consolidated and Separate Financial Statements have been prepared in accordance with International Financial Reporting Standards (I.F.R.S.), as adopted by the European Union (E.U.).

This report includes the financial assessment of the results of the period from January 1, 2011 to June 30, 2011, the significant events which took place in the first half of 2011, a presentation of the main risks and uncertainties for the second half of the year, the significant transactions with the Group's and the Company's related parties and the significant events that took place after the end of the first half of 2011.

A. FINANCIAL HIGHLIGHTS OF THE 1st HALF OF 2011

OTE Group Revenue decreased by 10.1% in the first half of 2011 compared to the related period of 2010 and reached Euro 2,479.7 million, mainly due to:

- Decreased revenues from domestic telephony by 17.0% and revenues from international telephony by 26.2% in comparison with the previous related period.
- Decreased revenues from mobile telephony by 9.9% in comparison with the previous related period.
- Decreased revenues from sales of telecommunication equipment by 13.9% in comparison with the previous related period.
- Decreased revenues from ISDN by 9.0% in comparison with the previous related period.
- Decreased revenues from interconnection charges by 16.7% in comparison with the previous related period.
- Decreased revenues from ADSL and Internet by 3.3% in comparison with the previous related period.
- Decreased revenues from prepaid cards by 17.5% in comparison with the previous related period.
- Decreased revenues from services rendered by 21.5% in comparison with the previous related period.
- Increased revenues from leased lines and data ATM communications by 7.2% in comparison with the previous related period.
- Increased revenues from co-location and revenues from access to the local loop (Local Loop Unbundling - LLU) by 21.7% in comparison with the previous related period.
- Increased revenues from Metro Ethernet & IP CORE by 6.3%, in comparison with the previous related period.
- Increased other revenues by 26.6% in comparison with the previous related period.

OTE's Revenue reached Euro 951.4 million, reflecting a decrease by 14.2% compared to the same period last year. This is a result of the decrease in revenues from domestic telephony by 15.8%, as well as the decrease in revenues from international telephony by 33.3% and the decrease in sales of telecommunication equipment by 22.4%, ISDN by 8.9%, interconnection charges by 13.4%, leased lines and data ATM communications by 28.9%, prepaid cards by 17.8%, revenues from ADSL and Internet by 3.6% and services rendered by 35.9%. These decreases were partially offset by the increase in revenues from co-location and from access to the local loop (Local Loop Unbundling - LLU) by 23.1%, the increase in revenues from Metro Ethernet & IP CORE by 4.7% and the increase in other revenues by 4.8%.

The Group's Operating Expenses reached Euro 2,223.9 million and reflect a decrease of 7.7% compared to the same period last year. This decrease is mainly due to the decrease in payroll and employee benefits by 7.4%, the decrease in provision for staff retirement indemnities by 13.3%, the decrease in provision for youth account by 27.5%, the decrease in charges from domestic operators by 18.3%, the decrease in cost of telecommunications equipment by 17.8%, the decrease in depreciation and amortization by 5.9% and the decrease in other operating expenses by 7.8%. These decreases were partially offset by the increase in cost of early retirement program by 51.5% and the increase in charges from international operators by 9.9%.

The Company's Operating Expenses reached Euro 859.3 million and reflect a decrease of 11.7% compared to the same period last year. The decrease in operating expenses is mainly due to the following:

- 25.5% decrease in charges from domestic telecommunications operators.
- 10.7% decrease in depreciation and amortization.
- 29.0% decrease in the cost of telecommunication equipment.
- 16.5% decrease in staff retirement indemnities.
- 27.5% decrease in youth account costs.
- 7.8% decrease in other operating expenses.
- 26.2% decrease in charges from international telecommunications operators.
- 6.8% decrease in employee costs.

These decreases were partially offset by the increase in the cost of the Company's early retirement program in 2011 by 6.1%.

As a result, **Operating Profit before Financial Activities of the Group** for the first half of 2011 reached Euro 261.6 million compared to Euro 380.2 million in the same period last year reflecting a decrease of 31.2%. **Operating Profit before Financial Activities of the Company** for the first half of 2011 reached Euro 91.4 million, compared to Euro 149.5 million in the same period last year, reflecting a decrease of 38.9%.

The Group's Operating Profit before Depreciation, Amortization and Impairment for the first half of 2011 reached Euro 790.2 million compared to Euro 941.9 million in the same period last year, reflecting a decrease of 16.1%. The respective margin on revenues reached 31.9% compared to 34.1% in the same period last year. Excluding early retirement program costs, **the Group's Operating Profit before Depreciation, Amortization and Impairment** for the first half of 2011 reached Euro 839.9 million compared to Euro 974.7 million in the same period last year, reflecting a decrease of 13.9%. The respective margin on revenues reached 33.9% compared to 35.3% in the same period last year.

The Company's Operating Profit before Depreciation and Amortization and Impairment for the first half of 2011 reached Euro 260.9 million compared to Euro 339.3 million in the same period last year, reflecting a decrease of 23.1%. The respective margin on revenues reached 27.4% compared to 30.6% in the same period last year. Excluding early retirement program costs**, the Company's Operating Profit before Depreciation and Amortization and Impairment** for the first half of 2011 amounted to Euro 271.4 million compared to Euro 349.2 million in the same period last year, reflecting a decrease of 22.3%. The respective margin on revenues reached 28.5% compared to 31.5% in the same period last year.

In relation to **the Group's Financial Activities**, interest expense in the first half of 2011 was Euro 134.9 million, reflecting a decrease of 20.7% compared to the same period last year, which is the result of the decrease in the Group's debt. Interest income amounted to Euro 10.8 million for the first half of 2011, reflecting a decrease of 26.0% compared to the same period last year. Dividend income increased by 15.6% due to the higher dividend from TELEKOM SRBIJA in the current period. Losses from investments reached Euro 0.2 million in the first half of 2011 compared to losses of Euro 2.8 million for the same period last year. Foreign exchange differences resulted in gains of Euro 8.7 million in the first half of 2011 compared to Euro 10.2 million losses in the same period last year, mainly due to variations of the foreign exchange rate of RON.

Income Tax (expense) of the Group was Euro 75.2 million in first half of 2011, reflecting a decrease of 69.3% compared to the same period last year due to the decreased profitability and the decreased income tax rate, as well as the special contribution, the tax on dividends and the effect of OTE's tax audit that had affected the same period last year.

Considering all the above, **the Group's net result** of the first half of 2011 was a profit of Euro 81.2 million compared to loss of Euro 24.2 million in the same period last year.

In the first half of 2011**, Losses Attributable to Non-Controlling Interests** in the Group's income statement reached Euro 11.2 million from Euro 29.2 million in the same period last year due to decreased losses of ROMTELECOM.

As a result of all the above, **the Group's Profit Attributable to the Owners of the Parent** for the first half of 2011 amounted to Euro 92.4 million compared to Euro 5.0 million in the same period last year, reflecting a significant increase.

The Group's Cash Flows from Operating Activities in the first half of 2011 increased by 29.7% in comparison with the same period last year, amounting to Euro 490.4 million, mainly due to decreased payments for income taxes and early retirement programs.

The Group's Capital Expenditure (CAPEX) for the first half of 2011 amounted to Euro 302.9 million from Euro 398.0 million in the same period last year reflecting a decrease of 23.9%. The decrease is due to the decreased capital expenditure of OTE, COSMOTE group and ROMTELECOM.

The Group's Total Debt as of June 30, 2011 was Euro 5,007.5 million compared to Euro 5,299.8 million at December 31, 2010, reflecting a decrease of 5.5%, whereas the **Group's Net Debt** (interest bearing loans less cash and cash equivalents and other financial assets) at June 30, 2011, reached to Euro 4,120.8 million from Euro 4,283.0 million at December 31, 2010, reflecting an decrease of 3.8%. This decrease is mainly due to the repayment of loans.

As of June 30, 2011, **the Group's Net Current Assets** amounted to Euro 68.4 million compared to **Net Current Liabilities** of Euro 1,507.8 million as of December 31, 2010. The increase reflects the fact that a portion of the debt that was included in the current liabilities as of December 31, 2010, is included in non-current liabilities as of June 30, 2011, as a result of the refinancing process.

B. SIGNIFICANT EVENTS OF THE 1ST HALF OF 2011

NEW TAX LAW

According to the new tax law 3943/2011, the corporate income tax rate of legal entities is set at 20% for 2011 onwards. Furthermore, a 25% withholding tax is imposed on profits distributed by Greek entities which will be borne by the beneficiary and applies to the distribution of profits approved after January 1, 2012. Especially for distribution of profits approved within 2011, the withholding tax rate is 21%. This tax is withheld by the entity which distributes its profits and exhausts the tax liability of the beneficiaries, unless they are individuals. Withholding tax shall not be imposed on dividends paid to a legal entity established in another Member State of the EU, subject to the conditions of L.2578/1998 (Parent-Subsidiary Directive). In cases of a group whereby an EU parent owns a Greek company, which on its turn owns a Greek subsidiary, the tax that has been withheld upon distribution by the Greek subsidiary to its Greek parent is refunded to the Greek parent when it distributes on its turn a dividend to its EU parent.

DEBT REFINANCING

Drawdown of existing Euro 332.0 million Revolving Credit Facility

On January 26, 2011, OTE PLC drew in full the Euro 332.0 million Revolving Credit Facility under the Euro 850.0 million Syndicated Facility. The facility bears floating interest rate.

Redemption of Euro 1,400.4 million Notes due February 2011

In January and February 2011, OTE PLC proceeded with partial repurchases of total nominal amount of Euro 29.7 million under the Notes due in February 2011. On February 14, 2011, OTE PLC proceeded with the full redemption of the remaining outstanding amount of Euro 1,370.7 million Notes, along with the payment of accrued interest.

Bonds Buybacks by OTE PLC

On February 21, 2011, OTE PLC repurchased Euro 5.0 million of the Euro 900.0 million 4.625% Notes due in May 2016. The repurchased Notes have been cancelled.

In March, April, May and June 2011, OTE PLC proceeded with partial repurchases of total nominal amount of Euro 293.9 million under the Notes Euro 650.0 million 3.75% due on November 11, 2011 along with the payment of accrued interest. The repurchased Notes have been cancelled.

New Euro 500.0 million Notes under the Global Medium-Term Note Program

On April 8, 2011, OTE PLC issued Euro 500.0 million 7.250% Notes under the Global Medium-Term Note Program, maturing on April 8, 2014.

The facility contains a change of control clause which is triggered if an entity (other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with at least one credit rating issued by either (i) Standard & Poor's Credit Market Services Europe Limited or (ii) Moody's Investors Service España, S.A. (each, together with any successor thereto, a "Rating Agency") equivalent or better than the credit rating of DEUTSCHE TELEKOM AG issued by that Rating Agency at that point in time), gains the power to direct the management and policies of OTE, whether through the ownership of voting capital, by contract or otherwise.

In accordance with the final terms of the Notes, 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.

Euro 150.0 million Revolving Credit Facility committed by DEUTSCHE TELEKOM AG

On January 31, 2011 OTE PLC signed a Euro 150.0 million Revolving Credit Facility with DEUTSCHE TELEKOM AG with the guarantee of OTE, maturing on January 31, 2012 which remains undrawn as a liquidity reserve.

OTHER BANK LOANS

During 2011, ROMTELECOM fully repaid two of its loans denominated in Korean Won that would mature in 2014 and 2020 paying an amount of Euro 19.4 million and OTE PLUS repaid loans of Euro 1.5 million.

New Euro 900.0 million Revolving Credit Facility (Bond Loan)

On February 9, 2011, OTE signed a Euro 900.0 million Revolving Credit Facility (Bond Loan) with a consortium of banks. The facility has a tenor of 2 years with a 1-year extension option at the discretion of the banks. The facility bears floating interest rate where the margin is dependent on OTE credit rating assigned by Moody's and Standard & Poor's as well as on the facility's utilization. Any undrawn amounts will bear a commitment fee.

On February 10, 2011, OTE drew Euro 600.0 million under this facility and used the proceeds for debt repayment of loans from OTE PLC.

The Facility contains a change of control clause which is triggered if an entity (other than DEUTSCHE TELEKOM AG, DEUTSCHE TELEKOM AG together with the Hellenic Republic, or any telecommunication operator based in Greece or abroad with rating equivalent or better than DEUTSCHE TELEKOM AG) gains control of OTE.

The Facility also includes two financial covenants, namely:

- The ratio of Group Net Borrowings to Group EBITDA should not exceed 3:1 at all times and
- The ratio of Group EBITDA to Group Net Interest Payable should exceed 5:1 at all times.

The above covenants are reviewed for compliance with the annual and semi-annual OTE Group financial statements, beginning with the financial period ended on December 31, 2010. The covenants are complied for the current financial period.

New intercompany loan with OTE PLC

On January 26, 2011, OTE proceeded with the full drawdown of the amount of Euro 332.0 million under the intercompany loan from OTE PLC.

Repayments of intercompany loans granted from OTE PLC

In January and February 2011, OTE proceeded with the gradual repayment of the remaining outstanding balance of Euro 970.4 million under the intercompany facility maturing on February 13, 2011, along with the payment of accrued interest.

On February 11, 2011, OTE proceeded with a partial prepayment of Euro 88.0 million under the intercompany loan maturing in August 2013, along with the payment of accrued interest.

In March, April and May 2011, OTE proceeded with the gradual repayment of the remaining outstanding balance of Euro 150.0 million under the intercompany loan maturing in November 2011, along with the payment of accrued interest.

On June 23, 2011, OTE proceeded with a partial prepayment of Euro 320.0 million under the intercompany loan maturing in August 2013, along with the payment of accrued interest. This prepayment effected at market rates (at a price of 96.8%) thus led to a gain of Euro 10.2 million which is recorded in the separate income statement of the first six months of 2011, in the line “Interest expense”.

New Euro 500.0 million intercompany loan with OTE PLC

On April 8, 2011, OTE signed a Euro 500.0 million intercompany loan, maturing in April 2014. On the same day OTE drew in full this intercompany loan. The loan bears fixed interest rate.

INTEREST RATE SWAPS

In April 2011, OTE converted the Euro 500.0 million fixed rate loan into floating via interest rate swap agreements. The swaps have been assigned as fair value hedges both on parent company and group level.

DIVIDEND DISTRIBUTION

On June 23, 2011, the General Assembly of OTE’s Shareholders approved the distribution of a dividend from 2010 profits of a total amount of Euro 57.8 million or Euro 0.1179 per share.

EARLY RETIREMENT PROGRAMS

OTE early retirement program

On March 31, 2011 OTE announced that it has reached an agreement with the union, regarding an early retirement program with incentives. The respective cost was estimated to Euro 10.5 million and is recorded in the consolidated and separate income statement of the first half of 2011, in the line “Cost of early retirement program”.

COSMOTE restructuring plan

On February 28, 2011, COSMOTE announced operational efficiency measures to improve its competitiveness and flexibility to safeguard its sustainable growth potential. The respective cost was estimated to Euro 11.3 million and is recorded in the consolidated income statement of the first half of 2011 in the line “Cost of early retirement program”.

ROMTELECOM restructuring plan

In January and May 2011, ROMTELECOM announced restructuring measures for 2011, in order to increase its efficiency and to reduce costs. The respective cost was estimated to Euro 27.9 million and is recorded in the consolidated income statement of the first six months of 2011, in the line “Cost of early retirement program”.

TELECOM SRBIJA

In early January 2011, the Government of Serbia (“GoS”) formally announced to OTE a “minimum reference price” based on which the GoS would be willing to sell a controlling stake in TELEKOM SRBIJA. On January 26, 2011, OTE’s Board of Directors decided that, should the reference price as set by the GoS (or higher) be reached, then OTE would agree to sell its stake at that price. If the selling price were set at a lower level, OTE would re-consider its position.

The deadline for submission of binding offers was March 21, 2011 and Telekom Austria submitted an offer. The deadline was extended to May 3, 2011 and the revised offer submitted by Telekom Austria was formally rejected.

CAPITAL REDUCTION OF SUBSIDIARIES

In January 2011, OTE received from its subsidiaries the amounts arising from their share capital reduction reducing the carrying value of its investments by the equivalent amounts. Specifically, OTE received from HELLASCOM Euro 4.0 million, from OTE ESTATE Euro 40.9 million, from OTESAT-MARITEL Euro 6.6 million, from OTE INSURANCE Euro 0.5 million and from OTE INTERNATIONAL INVESTMENTS LTD Euro 30.0 million.

OTE PROPERTIES DISSOLUTION AND LIQUIDATION

In February 2011, the Extraordinary General Assembly of Shareholders of OTE PROPERTIES (OTE ESTATE's wholly-owned subsidiary) has decided to proceed with the dissolution and liquidation of OTE PROPERTIES.

C. RISKS AND UNCERTAINTIES FOR THE 2ND HALF OF THE YEAR

a) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if counterparty fails to meet its contractual obligations.

The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group and the Company are exposed.

Trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and their diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is considered to exist for amounts receivable from the telecommunication service providers, due to their relatively small number and the high level of transactions they have with the Group and the Company. For this category the Group and the Company assess the credit risk following the established policies and procedures and have made the appropriate provision for impairment.

The Group and the Company have established specific credit policies under which customers are analyzed for creditworthiness and there is an effective management of receivables in place both before and after they become overdue and doubtful. In monitoring credit risk, customers are grouped according to their credit risk characteristics, aging profile and existence of previous financial difficulties. Customers that are characterized as doubtful are reassessed at each reporting date for the estimated loss that is expected and an appropriate impairment allowance is established.

Cash and cash equivalents are considered to be exposed to a high level of credit risk, in light of the macroeconomic conditions placing significant pressure on the banks. The Group and the Company follow cash management guidelines, while both country and counterparty exposures are centrally monitored. Most of the Group's cash is invested in highly rated counterparties and with a very short term tenor.

Financial instruments classified as available-for-sale and held-for-trading include listed shares, mutual funds and other securities. The financial asset categories are not considered to expose the Group and the Company to a significant credit risk.

Loans include loans to employees which are collected either through the payroll or are netted-off with their retirement indemnities and loans and advances to Auxiliary Pension Fund mainly due to the Voluntary Leave Scheme. The above mentioned loans are not considered to expose the Group and the Company to a significant credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due. Liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and credit facilities to meet the financial obligations when due. The Group's and the Company's cash and cash equivalents as at June 30, 2011 amounts to Euro 867.4 million and Euro 189.8 million, respectively and their debt amounts to Euro 5,007.5 million and Euro 2,733.1 million, respectively.

For the monitoring of the liquidity risk, the Group prepares forecasted cash flows on a frequent basis.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will result in fluctuations of the value of the Group's and the Company's financial instruments. The objective of market risk management is to manage and control exposure within acceptable levels.

The individual risks that comprise market risk are described in further detail and the Group's and the Company's policies for managing them are as follows:

i. Interest rate risk
Interest rate risk is the risk that payments for interest on loans fluctuate due to changes in interest rates.

The hedging of interest rate risk is managed through a combination of fixed and floating rate borrowings as well as with the use of interest rate swap agreements.

ii. Foreign currency risk
Currency risk is the risk that the fair values or the cash flows of a financial instrument fluctuate due to foreign currency changes.

The Group operates in Southeastern Europe and as a result is exposed to currency risk due to changes between the functional currencies and other currencies. The main currencies within the Group are the Euro, Ron (Romania) and the Lek (Albania).

d) Other risks
Regulatory framework
Regulatory and competitive pressures affect OTE's ability to set competitive retail and wholesale tariffs, which may adversely affect its ability to compete effectively. Under applicable laws, regulations and related decisions, the Hellenic Telecommunications and Post Committee ("HTPC") has the jurisdiction to assess OTE's tariffs. Regulatory limitations imposed on OTE's ability to set tariffs often require it to charge tariffs which are higher or, in certain cases, significantly higher than those charged by its competitors for the same services, as its competitors do not have such a significant market share and are not therefore subject to the same pricing constraints. If OTE cannot efficiently reduce the cost of providing its services and the level of its tariffs to be more competitive in a timely manner, it could experience a material adverse effect on its business and financial condition.

Potential impairment losses
In conjunction with the conditions in many markets in which the Group has invested, the Group faces challenges regarding the financial outlook of some of its subsidiaries. In this respect, impairment losses may incur relating to the recognized amounts of goodwill allocated to these subsidiaries, or even more to these subsidiaries' assets.

Additional contributions to pension funds
The Ministry of Labor and Social Security notified OTE that additional studies will follow for the estimation of the additional financial burden of the Insurance Funds, incurred by OTE's voluntary retirement scheme based on L. 3762/2009.

Furthermore, based on actuarial studies performed in prior years and on current estimations, the pension funds show (or will show in the future) increasing deficits. OTE does not have a legal obligation to cover any future deficiencies of these funds and, according to management, neither does it voluntarily intend to cover such possible deficiencies. However, there can be no assurance that OTE will not be required (through regulatory arrangements) to make additional contributions in the future to cover operating deficits of these funds.

Additional tax burdens
In 2009 and in 2010, the Greek State imposed special tax contributions which materially affected the Group's and the Company's income statement. Given the current fiscal position of the Greek State, additional fiscal measures may be taken, which could have a material adverse effect on the Group's and the Company's financial condition.

Macroeconomic conditions
Macroeconomic conditions in Greece and the fiscal position of the Greek State have deteriorated markedly and this has had and could continue to have a material adverse effect on the Group's and the Company's business, results of operations, financial condition and prospects.

D. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

OTE's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

The Company purchases goods and services from these related parties, and provides services to them. Furthermore, OTE grants/ receives loans to/ from these related parties, receives dividends and pays dividends.

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

(amounts in millions of Euro)	1st Half 2011		1st Half 2010	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE	57.0	40.5	75.5	52.1
OTE INTERNATIONAL INVESTMENTS LTD	0.2	2.0	0.2	2.2
HELLAS-SAT	0.2	1.9	0.3	0.8
COSMO-ONE	-	0.3	-	0.3
VOICENET	1.6	1.4	2.2	1.8
HELLASCOM	0.1	4.3	0.1	4.2
OTE SAT – MARITEL	0.5	0.6	0.6	0.9
OTE PLUS	0.2	15.2	0.2	17.1
OTE ESTATE	0.9	30.8	-	32.0
OTE-GLOBE	15.5	34.6	25.4	42.5
OTE ACADEMY	-	2.0	-	2.4
ROMTELECOM	-	0.2	-	0.3
TOTAL	**76.2**	**133.8**	**104.5**	**156.6**

Purchases and sales of the Group with related parties which are not eliminated in the consolidation are analyzed as follows:

(amounts in millions of Euro)	1st Half 2011		1st Half 2010	
	Group's Sales	Group's Purchases	Group's Sales	Group's Purchases
TELEKOM DEUTSCHLAND	6.7	7.0	6.5	4.6
HRVATSKI TELEKOM	0.1	0.2	0.2	0.2
COMBRIDGE	0.8	0.2	1.9	0.1
ORBITEL	-	0.4	-	0.2
DETEKON	-	0.1	-	-
T-SYSTEMS	0.5	0.2	0.5	-
T-MOBILE CZECH	0.1	0.1	0.1	0.1
T-MOBILE UK	0.3	0.4	0.3	0.2
T-MOBILE AUSTRIA	0.2	0.1	0.2	0.4
T-MOBILE NETHERLANDS	0.1	0.1	0.1	0.1
T-MOBILE USA	0.2	0.2	0.3	0.2
T-MOBILE HUNGARY	0.2	0.1	0.3	0.1
T-MOBILE TELEKOMUNIKASYON	-	-	-	0.2
PCT POLSKA TELEFONIA	0.2	0.1	0.2	-
CRNOGORSKI TELEKOM	-	0.1	-	-
TOTAL	**9.4**	**9.3**	**10.6**	**6.4**

The financial activities of OTE with its related parties comprise interest on loans received and are analyzed as follows:

(amounts in millions of Euro)	Finance expense OTE	
	1st Half 2011	1st Half 2010
OTE PLC	51.5	81.1
TOTAL	**51.5**	**81.1**

The financial activities of the Group with related parties which are not eliminated in the consolidation are analyzed as follows:

(amounts in millions of Euro)	Finance expense Group	
	1st Half 2011	1st Half 2010
TELEKOM DEUTSCHLAND	0.9	-
TOTAL	**0.9**	**-**

OTE's dividend income from its related parties is analyzed as follows:

(amounts in millions of Euro)	1st Half 2011	1st Half 2010
COSMOTE	-	151.2
OTE ESTATE	-	37.0
OTE SAT – MARITEL	1.2	1.7
OTE INTERNATIONAL	-	2.0
TOTAL	**1.2**	**191.9**

Amounts owed to and by the related parties as a result of OTE's transactions with them are analyzed as follows:

(amounts in millions of Euro)	30/06/2011 Amounts owed to OTE	30/06/2011 Amounts owed by OTE	31/12/2010 Amounts owed to OTE	31/12/2010 Amounts owed by OTE
COSMOTE	40.4	60.5	61.2	59.9
OTE INTERNATIONAL INVESTMENTS LTD	0.1	0.9	0.2	1.1
HELLAS-SAT	0.2	1.3	0.2	0.9
COSMO-ONE	-	0.2	-	0.2
VOICENET	0.7	0.6	0.9	0.6
HELLASCOM	-	2.3	-	2.0
OTE SAT – MARITEL	3.1	5.2	2.6	4.5
OTE PLUS	0.1	12.1	0.2	15.6
OTE ESTATE	0.8	15.9	1.3	13.7
OTE-GLOBE	61.2	79.8	61.5	96.3
OTE ACADEMY	0.4	0.4	0.4	0.5
ROMTELECOM	0.2	0.2	0.2	0.1
TOTAL	**107.2**	**179.4**	**128.7**	**195.4**

Amounts owed to and by the related parties as a result of the Group's transactions with them, which are not eliminated in the consolidation, are analyzed as follows:

(amounts in millions of Euro)	30/06/2011 Amounts owed to Group	30/06/2011 Amounts owed by Group	31/12/2010 Amounts owed to Group	31/12/2010 Amounts owed by Group
TELEKOM DEUTSCHLAND	6.1	11.8	5.3	8.2
DETEKON	-	0.1	-	-
COMBRIDGE	0.5	0.3	0.3	-
ORBITEL	-	0.1	-	-
T-SYSTEMS	0.2	0.1	0.1	-
T-MOBILE HUNGARY	-	0.1	0.1	0.1
T-MOBILE CZECH	0.1	0.1	0.1	0.1
T-MOBILE UK	0.6	4.5	0.3	0.9
T-MOBILE AUSTRIA	0.4	0.2	0.1	0.1
T-MOBILE NETHERLANDS	0.2	0.1	-	0.2
T-MOBILE USA	-	0.7	0.6	1.7
PCT POLSKA TELEFONIA	0.4	-	0.1	0.3
HRVATSKI TELEKOM	0.1	0.2	-	0.1
T-MOBILE INTERNATIONAL	-	-	-	1.0
CRNOGORSKI TELEKOM	-	0.1	-	-
TOTAL	**8.6**	**18.4**	**7.0**	**12.7**

Amounts due to related parties as a result of OTE's dividend distribution are analyzed as follows:

(amounts in millions of Euro)	30/06/2011	31/12/2010
DEUTSCHE TELEKOM AG	17.3	-

Amounts owed by OTE relating to loans received, are analyzed as follows:

(amounts in millions of Euro)	Amounts owed by OTE 30/06/2011	Amounts owed by OTE 31/12/2010
OTE PLC	2,195.1	2,938.0
TOTAL	**2,195.1**	**2,938.0**

Key management personnel and those closely related to them are defined in accordance with IAS 24 "Related Party Disclosures". Compensation includes all employee benefits (as defined in IAS 19 "Employee Benefits") including employee benefits to which IFRS 2 "Share-based Payment" applies.

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 2.3 million for the first half of 2011.

As of June 30, 2011, 2,240,102 options under OTE's share based payment plan have been granted to the Company's key management personnel.

E. SIGNIFICANT EVENTS AFTER THE END OF THE FIRST HALF OF 2011

The most significant events after June 30, 2011 are as follows:

CHANGE IN OWNERSHIP OF OTE's SHARES

Since July 11, 2011, following an acquisition of shares and voting rights, the participation of DEUTSCHE TELEKOM AG in the total share capital and voting rights of OTE increased to 40.00% which equals to 196,060,156 shares and to the corresponding voting rights.

OTE & OTE PLC LOANS

On July 13, 2011, OTE drew the remaining Euro 300.0 million that was available under the Euro 900.0 million Revolving Credit Facility (Bond Loan).

In July 2011, OTE PLC has proceeded with partial repurchases of total nominal amount of Euro 9.4 million under the Notes Euro 650.0 million 3.75% due on November 11, 2011 along with the payment of accrued interest. The repurchased Notes have been cancelled. The outstanding nominal amount of the Notes after the above repurchases is Euro 346.8 million.

Athens, August 3, 2011

Michael Tsamaz
Chairman and Managing Director

III. AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)

[Translation from the original text in Greek]

Report on Review of Interim Financial Information

To the Shareholders of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A and its subsidiaries as of 30 June 2011 and the related condensed separate and consolidated statements of income and comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Reference to Other Legal and Regulatory Requirements

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.

pwc

Athens, 3 August 2011
Certified Auditor - Accountant

PricewaterhouseCoopers S.A.
Certified Auditors - Accountants
268, Kifissias Avenue
152 32 Halandri
SOEL Reg. No 113

Marios Psaltis
SOEL Reg. No 38081

IV. INTERIM CONDENSED FINANCIAL STATEMENTS

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)
AS OF JUNE 30, 2011

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
as adopted by the European Union

(TRANSLATED FROM THE GREEK ORIGINAL)

The Interim Condensed Financial Statements presented on pages 18-43, were approved by the Board of Directors on August 3, 2011 and are signed by:

Chairman & Managing Director	Board Member & Group Chief Financial Officer	OTE Chief Financial Officer	Chief Accounting Officer
Michael Tsamaz	Kevin Copp	George Mavrakis	Konstantinos Vasilopoulos

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
REGISTRATION No S.A. 347/06/B/86/10
99 KIFFISIAS AVE–151 24 MAROUSSI ATHENS, GREECE

TABLE OF CONTENTS PAGE

INTERIM CONDENSED FINANCIAL STATEMENTS AS OF JUNE 30, 2011 AND FOR THE SIX MONTH PERIOD THEN ENDED

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF JUNE 30, 2011 AND FOR THE SIX MONTH PERIOD THEN ENDED

INTERIM STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

		GROUP		COMPANY	
(Amounts in millions of Euro)	Notes	30/06/2011	31/12/2010	30/06/2011	31/12/2010
ASSETS					
Non-current assets					
Property, plant and equipment		4,891.6	5,061.9	1,777.5	1,864.0
Goodwill		572.7	572.4	-	-
Telecommunication licenses		316.7	331.9	4.5	2.1
Other intangible assets		429.3	455.5	-	-
Investments	4	156.3	156.5	4,696.9	4,778.2
Loans and advances to pension funds		123.9	126.2	123.9	126.2
Deferred tax assets		267.5	260.4	173.6	195.2
Other non-current assets		170.3	154.7	135.2	120.6
Total non-current assets		**6,928.3**	**7,119.5**	**6,911.6**	**7,086.3**
Current assets					
Inventories		163.3	160.8	27.8	27.9
Trade receivables		995.5	1,010.8	512.8	534.8
Other financial assets		19.3	12.5	8.6	2.1
Other current assets		230.0	229.9	92.8	108.6
Cash and cash equivalents		867.4	1,004.3	189.8	189.0
Total current assets		**2,275.5**	**2,418.3**	**831.8**	**862.4**
TOTAL ASSETS		**9,203.8**	**9,537.8**	**7,743.4**	**7,948.7**
EQUITY AND LIABILITIES					
Equity attributable to owners of the Parent					
Share capital	5	1,171.5	1,171.5	1,171.5	1,171.5
Share premium	5	511.8	510.6	511.8	510.6
Statutory reserve		347.2	347.2	347.2	347.2
Foreign exchange and other reserves		(130.2)	(147.3)	(48.8)	(60.1)
Changes in non-controlling interests		(3,321.5)	(3,321.5)	-	-
Retained earnings		2,578.6	2,539.1	1,352.6	1,401.2
Total equity attributable to owners of the Parent		**1,157.4**	**1,099.6**	**3,334.3**	**3,370.4**
Non-controlling interests		503.4	553.0	-	-
Total equity		**1,660.8**	**1,652.6**	**3,334.3**	**3,370.4**
Non-current liabilities					
Long-term borrowings	7	4,593.3	3,211.4	2,712.8	1,715.4
Provision for staff retirement indemnities		304.4	306.6	269.7	273.6
Provision for voluntary leave scheme	11	10.5	29.9	10.5	29.9
Provision for youth account		288.4	301.4	288.4	301.4
Deferred tax liabilities		96.0	66.3	-	-
Other non-current liabilities		43.3	43.5	26.0	21.5
Total non-current liabilities		**5,335.9**	**3,959.1**	**3,307.4**	**2,341.8**
Current liabilities					
Trade accounts payable		661.7	695.2	295.2	351.5
Short-term borrowings		4.1	5.6	-	-
Short-term portion of long-term borrowings	7	410.1	2,082.8	20.3	1,119.1
Income tax payable	8	58.6	70.9	1.6	1.6
Deferred revenue		237.1	249.0	231.5	233.1
Provision for voluntary leave scheme	11	175.6	189.4	175.6	189.4
Dividends payable	6	55.2	2.3	55.2	2.3
Other current liabilities		604.7	630.9	322.3	339.5
Total current liabilities		**2,207.1**	**3,926.1**	**1,101.7**	**2,236.5**
TOTAL EQUITY AND LIABILITIES		**9,203.8**	**9,537.8**	**7,743.4**	**7,948.7**

INTERIM INCOME STATEMENT (CONSOLIDATED)

(Amounts in millions of Euro except per share data)	Notes	2nd Quarter 2011	2nd Quarter 2010	1st Half 2011	1st Half 2010
Revenue					
Domestic telephony	9	296.0	352.6	599.6	722.1
International telephony	9	39.8	50.7	76.5	103.7
Mobile telephony	9	520.7	555.6	1,006.0	1,116.1
Other revenue	9	398.4	399.7	797.6	817.8
Total revenue		**1,254.9**	**1,358.6**	**2,479.7**	**2,759.7**
Other income/ (expense), net	10	**3.6**	**21.5**	**5.8**	**30.9**
Operating expenses					
Payroll and employee benefits		(271.8)	(289.8)	(540.5)	(583.9)
Provision for staff retirement indemnities		(5.9)	(6.7)	(11.7)	(13.5)
Provision for youth account		(4.7)	(7.2)	(9.5)	(13.1)
Cost of early retirement program	11	(10.0)	4.4	(49.7)	(32.8)
Charges from international operators		(58.5)	(50.0)	(102.1)	(92.9)
Charges from domestic operators		(88.1)	(107.4)	(173.5)	(212.4)
Depreciation, amortization and impairment		(265.6)	(284.8)	(528.6)	(561.7)
Cost of telecommunications equipment		(91.6)	(99.0)	(174.5)	(212.4)
Other operating expenses	12	(331.0)	(361.2)	(633.8)	(687.7)
Total operating expenses		**(1,127.2)**	**(1,201.7)**	**(2,223.9)**	**(2,410.4)**
Operating profit before financial activities		**131.3**	**178.4**	**261.6**	**380.2**
Income and expense from financial activities					
Interest expense		(68.5)	(97.1)	(134.9)	(170.1)
Interest income		5.0	7.4	10.8	14.6
Foreign exchange differences, net		5.0	(13.2)	8.7	(10.2)
Dividend income	4	10.4	9.0	10.4	9.0
(Losses) from investments and financial assets - Impairments		(0.2)	(5.0)	(0.2)	(2.8)
Total (loss) from financial activities		**(48.3)**	**(98.9)**	**(105.2)**	**(159.5)**
Profit before tax		**83.0**	**79.5**	**156.4**	**220.7**
Income tax expense	8	(26.9)	(169.4)	(75.2)	(244.9)
Profit /(loss) for the period		**56.1**	**(89.9)**	**81.2**	**(24.2)**
Attributable to:					
Owners of the parent		62.2	(60.8)	92.4	5.0
Non-controlling interests		(6.1)	(29.1)	(11.2)	(29.2)
		56.1	**(89.9)**	**81.2**	**(24.2)**
Basic earnings / (losses) per share	13	0.1269	(0.1240)	0.1885	0.0102
Diluted earnings / (losses) per share	13	0.1269	(0.1240)	0.1885	0.0102

The accompanying notes on pages 27-43 form an integral part of these financial statements.

INTERIM INCOME STATEMENT (SEPARATE)

(Amounts in millions of Euro)	Notes	2nd Quarter 2011	2nd Quarter 2010	1st Half 2011	1st Half 2010
Revenue					
Domestic telephony	9	222.9	263.0	450.6	535.0
International telephony	9	26.6	39.9	51.5	77.2
Other revenue	9	216.6	245.3	449.3	496.6
Total revenue		**466.1**	**548.2**	**951.4**	**1,108.8**
Other income/ (expense), net	10	**1.0**	**13.5**	**(0.7)**	**14.4**
Operating expenses					
Payroll and employee benefits		(163.4)	(174.6)	(328.4)	(352.2)
Provision for staff retirement indemnities		(5.1)	(6.1)	(10.1)	(12.1)
Provision for youth account		(4.7)	(7.2)	(9.5)	(13.1)
Cost of early retirement program	11	(2.5)	21.6	(10.5)	(9.9)
Charges from international operators		(21.9)	(32.3)	(43.0)	(58.3)
Charges from domestic operators		(35.1)	(46.3)	(68.3)	(91.7)
Depreciation, amortization and impairment		(85.5)	(93.9)	(169.5)	(189.8)
Cost of telecommunications equipment		(13.2)	(19.6)	(24.7)	(34.8)
Other operating expenses	12	(101.4)	(111.6)	(195.3)	(211.8)
Total operating expenses		**(432.8)**	**(470.0)**	**(859.3)**	**(973.7)**
Operating profit before financial activities		**34.3**	**91.7**	**91.4**	**149.5**
Income and expense from financial activities					
Interest expense		(36.7)	(66.2)	(75.3)	(113.6)
Interest income		3.2	1.7	5.3	4.1
Foreign exchange differences, net		1.5	0.2	1.7	-
Dividend income	4	11.6	200.9	11.6	200.9
(Losses) from investments and financial assets– Impairments		(0.2)	(3.6)	(0.2)	(1.8)
Total profit /(loss) from financial activities		**(20.6)**	**133.0**	**(56.9)**	**89.6**
Profit before tax		**13.7**	**224.7**	**34.5**	**239.1**
Income tax expense	8	(6.9)	(88.3)	(30.2)	(127.0)
Profit for the period		**6.8**	**136.4**	**4.3**	**112.1**

The accompanying notes on pages 27-43 form an integral part of these financial statements.

INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

	2nd Quarter		1st Half	
(Amounts in millions of Euro)	2011	2010	2011	2010
Profit / (loss) for the period	**56.1**	**(89.9)**	**81.2**	**(24.2)**
Foreign currency translation	(54.5)	(150.3)	11.1	(64.1)
Net gain on cash flow hedge	-	1.5	-	1.8
Actuarial gains /(losses) due to change in interest cost	(2.2)	(3.9)	14.7	(14.6)
Deferred taxes on actuarial gains/ losses due to change in interest cost	-	0.9	(3.4)	3.1
Net movement in available for sale financial assets	(0.1)	(0.5)	-	(4.6)
Other comprehensive income / (loss) for the period	**(56.8)**	**(152.3)**	**22.4**	**(78.4)**
Total comprehensive income / (loss) for the period	**(0.7)**	**(242.2)**	**103.6**	**(102.6)**
Attributable to:				
Owners of the parent	20.0	(164.2)	109.5	(48.4)
Non-controlling interests	(20.7)	(78.0)	(5.9)	(54.2)
	(0.7)	**(242.2)**	**103.6**	**(102.6)**

INTERIM STATEMENT OF COMPREHENSIVE INCOME (SEPARATE)

	2nd Quarter		1st Half	
(Amounts in millions of Euro)	2011	2010	2011	2010
Profit for the period	**6.8**	**136.4**	**4.3**	**112.1**
Actuarial gains/(losses) due to change in interest cost	(2.2)	(3.9)	14.7	(14.6)
Deferred taxes on actuarial gains /losses due to change in interest cost	-	0.9	(3.4)	3.1
Net movement in available for sale financial assets	(0.1)	(0.5)	-	(4.6)
Other comprehensive income / (loss) for the period	**(2.3)**	**(3.5)**	**11.3**	**(16.1)**
Total comprehensive income for the period	**4.5**	**132.9**	**15.6**	**96.0**

INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

	Attributed to owners of the parent								
(Amounts in millions of Euro)	Share capital	Share premium	Statutory reserve	Foreign exchange and other reserves	Changes in non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at January 1, 2010	**1,171.5**	**505.1**	**344.1**	**(162.0)**	**(3,321.5)**	**2,589.2**	**1,126.4**	**757.7**	**1,884.1**
Profit / (loss) for the period	-	-	-	-	-	5.0	**5.0**	(29.2)	**(24.2)**
Other comprehensive income / (loss)	-	-	-	(53.4)	-	-	**(53.4)**	(25.0)	**(78.4)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**(53.4)**	**-**	**5.0**	**(48.4)**	**(54.2)**	**(102.6)**
Dividends	-	-	-	-	-	(93.1)	**(93.1)**	-	**(93.1)**
Withholding tax related to dividend paid out of dividend income subject to withholding tax	-	-	-	-	-	6.5	**6.5**	-	**6.5**
Share-based payment	-	2.9	-	-	-	-	**2.9**	-	**2.9**
Balance as at June 30, 2010	**1,171.5**	**508.0**	**344.1**	**(215.4)**	**(3,321.5)**	**2,507.6**	**994.3**	**703.5**	**1,697.8**
Balance as at January 1, 2011	**1,171.5**	**510.6**	**347.2**	**(147.3)**	**(3,321.5)**	**2,539.1**	**1,099.6**	**553.0**	**1,652.6**
Profit / (loss) for the period	-	-	-	-	-	92.4	**92.4**	(11.2)	**81.2**
Other comprehensive income / (loss)	-	-	-	17.1	-	-	**17.1**	5.3	**22.4**
Total comprehensive income / (loss)	**-**	**-**	**-**	**17.1**	**-**	**92.4**	**109.5**	**(5.9)**	**103.6**
Dividends	-	-	-	-	-	(57.8)	**(57.8)**	(43.7)	**(101.5)**
Withholding tax related to dividend paid out of dividend income subject to withholding tax	-	-	-	-	-	4.9	**4.9**	-	**4.9**
Share-based payment	-	1.2	-	-	-	-	**1.2**	-	**1.2**
Balance as at June 30, 2011	**1,171.5**	**511.8**	**347.2**	**(130.2)**	**(3,321.5)**	**2,578.6**	**1,157.4**	**503.4**	**1,660.8**

The accompanying notes on pages 27-43 form an integral part of these financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY (SEPARATE)

(Amounts in millions of Euro)	Share capital	Share premium	Statutory reserve	Foreign exchange and other reserves	Retained earnings	Total equity
Balance as at January 1, 2010	**1,171.5**	**505.1**	**344.1**	**(102.9)**	**1,430.0**	**3,347.8**
Profit for the period	-	-	-	-	112.1	**112.1**
Other comprehensive income / (loss)	-	-	-	(16.1)	-	**(16.1)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**(16.1)**	**112.1**	**96.0**
Dividends	-	-	-	-	(93.1)	**(93.1)**
Withholding tax related to dividend paid out of dividend income subject to withholding tax	-	-	-	-	6.5	**6.5**
Share-based payment	-	2.9	-	-	-	**2.9**
Balance as at June 30, 2010	**1,171.5**	**508.0**	**344.1**	**(119.0)**	**1,455.5**	**3,360.1**
Balance as at January 1, 2011	**1,171.5**	**510.6**	**347.2**	**(60.1)**	**1,401.2**	**3,370.4**
Profit for the period	-	-	-	-	4.3	**4.3**
Other comprehensive income / (loss)	-	-	-	11.3	-	**11.3**
Total comprehensive income / (loss)	**-**	**-**	**-**	**11.3**	**4.3**	**15.6**
Dividends	-	-	-	-	(57.8)	**(57.8)**
Withholding tax related to dividend paid out of dividend income subject to withholding tax	-	-	-	-	4.9	**4.9**
Share-based payment	-	1.2	-	-	-	**1.2**
Balance as at June 30, 2011	**1,171.5**	**511.8**	**347.2**	**(48.8)**	**1,352.6**	**3,334.3**

INTERIM STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	Notes	GROUP		COMPANY	
		1st Half 2011	1st Half 2010	1st Half 2011	1st Half 2010
Cash flows from operating activities					
Profit before tax		156.4	220.7	34.5	239.1
Adjustments for:					
Depreciation, amortization and impairment		528.6	561.7	169.5	189.8
Share-based payment	16	1.2	2.9	0.5	1.3
Cost of early retirement program	11	49.7	32.8	10.5	9.9
Provision for staff retirement indemnities		11.7	13.5	10.1	12.1
Provision for youth account		9.5	13.1	9.5	13.1
Provisions for doubtful accounts	12	69.3	68.5	16.3	17.1
Other provisions		-	(4.2)	-	(4.3)
Foreign exchange differences, net		(8.7)	10.2	(1.7)	-
Interest income		(10.8)	(14.6)	(5.3)	(4.1)
Dividend income	4	(10.4)	(9.0)	(11.6)	(200.9)
Losses from investments and financial assets – Impairments		0.2	2.8	0.2	1.8
Release of EDEKT fund prepayment		17.6	17.6	17.6	17.6
Interest expense		134.9	170.1	75.3	113.6
Working capital adjustments:					
Decrease/ (increase) in inventories		(2.5)	23.6	0.1	(1.0)
Decrease / (increase) in accounts receivable		(55.0)	(45.8)	1.1	(5.0)
(Decrease) in liabilities (except borrowings)		(48.1)	(103.6)	(45.8)	(24.9)
Plus/(Minus):					
Payment for early retirement programs	11	(73.2)	(135.9)	(40.3)	(120.6)
Payment of staff retirement indemnities and youth account, net of employees' contributions		(32.1)	(46.8)	(30.5)	(45.1)
Interest and related expenses paid		(174.4)	(163.8)	(109.5)	(95.5)
Income taxes paid		(73.5)	(235.8)	(8.6)	(113.7)
Net cash flows from operating activities		**490.4**	**378.0**	**91.9**	**0.3**
Cash flows from investing activities					
Acquisition of non-controlling interest		-	(7.9)	-	-
Acquisition of subsidiary and business units net of cash acquired	4	(7.2)	(1.7)	-	-
Purchase of financial assets		(0.2)	(52.8)	-	-
Sale or maturity of financial assets		-	36.5	-	3.7
Repayments of loans receivable		4.9	4.9	4.9	4.9
Loans granted		-	(19.3)	-	(19.3)
Purchase of property plant and equipment and intangible assets		(302.9)	(398.0)	(86.1)	(102.0)
Interest received		8.9	8.6	4.5	1.5
Dividends received		-	-	-	40.0
Return of capital invested in subsidiaries	4	-	-	82.0	-
Net cash flows from/(used in) investing activities		**(296.5)**	**(429.7)**	**5.3**	**(71.2)**
Cash flows from financing activities					
Proceeds from loans granted and issued	7	1,432.0	2.6	1,432.0	-
Repayment of loans	7	(1,720.2)	(59.7)	(1,528.4)	(56.0)
Dividends paid to Company's owners		-	(2.0)	-	(2.0)
Dividends paid to non-controlling interests		(43.7)	-	-	-
Net cash flows used in financing activities		**(331.9)**	**(59.1)**	**(96.4)**	**(58.0)**
Net increase/(decrease) in cash and cash equivalents		**(138.0)**	**(110.8)**	**0.8**	**(128.9)**
Cash and cash equivalents, at the beginning of the period		**1,004.3**	**868.8**	**189.0**	**224.0**
Net foreign exchange differences		1.1	3.1	-	-
Cash and cash equivalents, at the end of the period		**867.4**	**761.1**	**189.8**	**95.1**

1. CORPORATE INFORMATION

Hellenic Telecommunications Organization S.A. ("Company", "OTE" or "parent"), was incorporated as a société anonyme in Athens, Greece in 1949, and is listed in the Greek Register of Sociétés Anonymes (M.A.E.) with the unique number (AP. MAE) 347/06/B/86/10. The registered office is located at 99 Kifissias Avenue – 151 24 Maroussi Athens, Greece, and the website is www.ote.gr. The Company is listed on the Athens Exchange. Until September 19, 2010, OTE ADRs (American Depositary Receipts) were also listed on the New York Stock Exchange. Following OTE's delisting from NYSE, OTE ADRs now trade in the US OTC (Over the Counter) market. OTE GDRs (Global Depositary Receipts) are also listed on the London Stock Exchange.

OTE's principal activities are the provision of telecommunications and related services.

Effective February 6, 2009, the financial statements are included in the consolidated financial statements of DEUTSCHE TELEKOM AG (full consolidation method), which has its registered office in Germany and as of June 30, 2011 holds a 30.00% plus one share interest in OTE (see Note 19 for recent developments).

The OTE Group ("Group") includes other than the parent Company, all the entities which OTE controls directly or indirectly.

The Interim Condensed Consolidated and Separate Financial Statements ("interim financial statements") as of June 30, 2011, were approved for issuance by the Board of Directors on August 3, 2011.

The total numbers of Group and Company employees as of June 30, 2011 and 2010 were as follows:

	GROUP	COMPANY
June 30, 2011	29,102	10,826
June 30, 2010	31,538	11,198

The consolidated financial statements include the financial statements of OTE and the following subsidiaries which OTE controls directly or indirectly:

COMPANY NAME	LINE OF BUSINESS	COUNTRY	30/06/2011	31/12/2010
			GROUP's OWNERSHIP INTEREST	
COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE")	Mobile telecommunications services	Greece	100.00%	100.00%
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	61.74%	61.74%
VOICENET S.A. ("VOICENET")	Telecommunications services	Greece	100.00%	100.00%
HELLASCOM S.A. ("HELLASCOM")	Telecommunication projects	Greece	100.00%	100.00%
OTE PLC	Financing services	U.K.	100.00%	100.00%
OTE SAT-MARITEL S.A. ("OTE SAT – MARITEL")	Satellite telecommunications 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 telephony 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%
ROMTELECOM S.A. ("ROMTELECOM")	Fixed line telephony services	Romania	54.01%	54.01%
NEXTGEN COMMUNICATIONS SRL ("NEXTGEN")	Telecommunications services	Romania	54.01%	54.01%
S.C. COSMOTE ROMANIAN MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE ROMANIA")	Mobile telecommunications services	Romania	86.20%	86.20%
COSMO BULGARIA MOBILE EAD ("GLOBUL")	Mobile telecommunications services	Bulgaria	100.00%	100.00%
COSMO-HOLDING ALBANIA S.A. ("CHA")	Investment holding company	Greece	97.00%	97.00%
ALBANIAN MOBILE COMMUNICATIONS Sh.a ("AMC")	Mobile telecommunications services	Albania	97.21%	97.21%
COSMOHOLDING CYPRUS LTD ("COSMOHOLDING CYPRUS")	Investment holding company	Cyprus	100.00%	100.00%

COMPANY NAME	LINE OF BUSINESS	COUNTRY	30/06/2011 GROUP's OWNERSHIP INTEREST	31/12/2010 GROUP's OWNERSHIP INTEREST
GERMANOS S.A. ("GERMANOS")	Retail services	Greece	100.00%	100.00%
E-VALUE S.A.	Marketing Services	Greece	100.00%	100.00%
GERMANOS TELECOM ROMANIA S.A.	Retail services	Romania	100.00%	100.00%
SUNLIGHT ROMANIA S.R.L. FILIALA	Retail services	Romania	100.00%	100.00%
GERMANOS TELECOM BULGARIA A.D.	Retail services	Bulgaria	100.00%	100.00%
MOBILBEEEP LTD	Retail services	Greece	100.00%	100.00%
OTE PROPERTIES	Real estate	Greece	100.00%	100.00%
HELLAS SAT S.A.	Satellite communications	Greece	99.05%	99.05%
OTE INVESTMENT SERVICES S.A.	Investment holding company	Greece	100.00%	100.00%
COSMOHOLDING ROMANIA LTD	Investment holding company	Cyprus	100.00%	100.00%
TELEMOBIL S.A. ("ZAPP")	Mobile telecommunications services	Romania	100.00%	100.00%
E-VALUE DEBTORS AWARENESS ONE PERSON LTD ("E-VALUE LTD")	Overdue accounts	Greece	100.00%	100.00%

2. BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting".

These interim financial statements do not include all the information required in the annual financial statements and they should be read in conjunction with the annual audited financial statements as of December 31, 2010, which are available on the Company's website http://www.ote.gr/portal/page/portal/InvestorRelation/FinansialResults/FinansialStatementsOfOTEGroupAndOTESA .

The interim financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit and loss, available-for-sale financial assets and derivative financial instruments which have been measured at fair values in accordance with IFRS. The carrying values of recognized assets and liabilities that are hedged items in fair value hedges that would otherwise be carried at amortized cost, are adjusted to record changes in the fair values attributable to the risks that are being in effective hedge relationships.

In preparing these interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, were the same as those applied to the annual audited financial statements as of December 31, 2010.

There is no seasonality in the Group's and the Company's operations.

The interim financial statements are presented in millions of Euro, except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared using accounting policies consistent with those adopted for the preparation of the annual financial statements as of December 31, 2010 and which are comprehensively presented in the notes of the annual financial statements, except for the adoption of the following new and amended IFRS and IFRIC interpretations which became effective for the accounting periods beginning January 1, 2011, noted below:

- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
- IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (Amended)
- IAS 32 Financial Instruments: Presentation (Amended)
- IAS 24 Related Party Disclosures (Revised)
- In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording
- IFRS 3 Business Combinations
- IFRS 7 Financial Instruments: Disclosures
- IAS 1 Presentation of Financial Statements
- IAS 27 Consolidated and Separate Financial Statements
- IAS 34 Interim Financial Reporting
- IFRIC 13 Customer Loyalty Programmes

The adoption of the above new and amended IFRS and IFRIC interpretations did not have an impact on the financial statements or performance of the Group or the Company.

The following new and amended IFRS and IFRIC interpretations have been issued but are not effective for the financial year beginning January 1, 2011. They have not been early adopted and the Group and the Company are in the process of assessing their impact, if any, on the financial statements:

- **IFRS 7 (Amendment) "Financial Instruments: Disclosures"** – transfers of financial assets (effective for annual periods beginning on or after July 1, 2011). This amendment sets out disclosure requirements for transferred financial assets not derecognized in their entirety as well as on transferred financial assets derecognized in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

- **IAS 12 (Amendment) "Income Taxes"** (effective for annual periods beginning on or after January 1, 2012). The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment has not yet been endorsed by the EU.

- **IAS 1 (Amendment) "Presentation of Financial Statements"** (effective for annual periods beginning on or after July 1, 2012). The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.

- **IAS 19 (Amendment) "Employee Benefits"** (effective for annual periods beginning on or after January 1, 2013). This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. This amendment has not yet been endorsed by the EU.

- **IFRS 9 "Financial Instruments"** (effective for annual periods beginning on or after January 1, 2013). IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. This standard has not yet been endorsed by the EU.

- **IFRS 13 "Fair Value Measurement"** (effective for annual periods beginning on or after January 1, 2013). IFRS 13 provides new guidance on fair value measurement and disclosure requirements. This standard has not yet been endorsed by the EU.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after January 1, 2013). The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU:

- **IFRS 10 "Consolidated Financial Statements"** replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

- **IFRS 11 "Joint Arrangements".** The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

- **IFRS 12 "Disclosure of Interests in Other Entities"** requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.

- **IAS 27 (Amendment) "Separate Financial Statements".** This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "Consolidated and Separate Financial Statements". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "Investments in Associates" and IAS 31 "Interests in Joint Ventures" regarding separate financial statements.

- **IAS 28 (Amendment) "Investments in Associates and Joint Ventures"** replaces IAS 28 "Investments in Associates". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

4. INVESTMENTS – BUSINESS COMBINATIONS

Investments are analyzed as follows:

	GROUP		COMPANY	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
(a) Investments in subsidiaries	-	-	4,540.7	4,622.0
(b) Other investments	156.3	156.5	156.2	156.2
TOTAL	**156.3**	**156.5**	**4,696.9**	**4,778.2**

(a) Investments in subsidiaries are analyzed as follows:

	OTE's direct ownership interest	Country of incorporation	30/06/2011	31/12/2010
COSMOTE	100.00%	Greece	3,514.0	3,513.3
OTE INTERNATIONAL INVESTMENTS LTD	100.00%	Cyprus	453.9	483.9
HELLAS-SAT	99.05%	Cyprus	194.7	194.7
COSMO-ONE	30.87%	Greece	0.5	0.5
VOICENET	100.00%	Greece	3.1	3.1
HELLASCOM	100.00%	Greece	4.4	8.4
OTE SAT- MARITEL	94.08%	Greece	4.6	11.2
OTE PLC	100.00%	U.K.	-	-
OTE PLUS	100.00%	Greece	3.8	3.8
OTE ESTATE	100.00%	Greece	193.2	234.1
OTE GLOBE	100.00%	Greece	163.7	163.7
OTE INSURANCE	100.00%	Greece	0.1	0.6
OTE ACADEMY	100.00%	Greece	4.7	4.7
TOTAL			**4,540.7**	**4,622.0**

COSMOTE

OTE has implemented a Share Option Plan (see Note 16) for executives, including executives of COSMOTE group. The Share Option Plan grants to these executives the opportunity, subject to vesting conditions, to purchase OTE's shares at a potentially preferential purchase price. COSMOTE's related expense for the Share Option Plan for the first six months of 2011 is Euro 0.7 and in OTE's separate financial statements has been recorded in equity with an equal increase of the carrying value of OTE's investment in COSMOTE.

CAPITAL REDUCTION OF SUBSIDIARIES

In January 2011, OTE received from its subsidiaries the amounts arising from their share capital reduction reducing the carrying value of its investments by the equivalent amounts. Specifically, OTE received from HELLASCOM Euro 4.0, from OTE ESTATE Euro 40.9, from OTESAT-MARITEL Euro 6.6, from OTE INSURANCE Euro 0.5 and from OTE INTERNATIONAL INVESTMENTS LTD Euro 30.0.

OTE PROPERTIES DISSOLUTION AND LIQUIDATION

In February 2011, the Extraordinary General Assembly of Shareholders of OTE PROPERTIES (OTE ESTATE's wholly-owned subsidiary) has decided to proceed with the dissolution and liquidation of OTE PROPERTIES.

(b) Other investments are analyzed as follows:

	GROUP		COMPANY	
	30/06/2011	31/12/2010	30/06/2011	31/12/2010
TELEKOM SRBIJA	155.1	155.1	155.1	155.1
OTHER	1.2	1.4	1.1	1.1
TOTAL	**156.3**	**156.5**	**156.2**	**156.2**

TELEKOM SRBIJA

In early January 2011, the Government of Serbia ("GoS") formally announced to OTE a "minimum reference price" based on which the GoS would be willing to sell a controlling stake in TELEKOM SRBIJA. On January 26, 2011, OTE's Board of Directors decided that, should the reference price as set by the GoS (or higher) be reached, then OTE would agree to sell its stake at that price. If the selling price were set at a lower level, OTE would re-consider its position.

The deadline for submission of binding offers was March 21, 2011 and Telekom Austria submitted an offer. The deadline was extended to May 3, 2011 and the revised offer submitted by Telekom Austria was formally rejected.

The Group's dividend income is analyzed as follows:

	2nd Quarter		1st Half	
	2011	2010	2011	2010
TELEKOM SRBIJA	10.4	8.9	10.4	8.9
Other available for sale investments	-	0.1	-	0.1
TOTAL	**10.4**	**9.0**	**10.4**	**9.0**

OTE's dividend income is analyzed as follows:

	2nd Quarter		1st Half	
	2011	2010	2011	2010
COSMOTE	-	151.2	-	151.2
OTE ESTATE	-	37.0	-	37.0
OTE SAT- MARITEL	1.2	1.7	1.2	1.7
OTE INTERNATIONAL	-	2.0	-	2.0
TELEKOM SRBIJA	10.4	8.9	10.4	8.9
Other available for sale investments	-	0.1	-	0.1
TOTAL	**11.6**	**200.9**	**11.6**	**200.9**

BUSINESS COMBINATIONS

On February 23, 2011, ROMTELECOM signed a business transfer agreement with DTH Television Group S.A., the provider of the TV services under the "Boom" trademark. The scope of the agreement for ROMTELECOM was to take over the assets and customer base. The Competition Council approved the transfer. The transfer became effective on May 12, 2011. The total consideration was Euro 5.9 and the assets acquired have been recorded in the consolidated statement of financial position in the line "Property, plant and equipment", until the finalization of the purchase price allocation.

On March 25, 2011, ROMTELECOM signed a business transfer agreement with DIGITAL CABLE SYSTEMS S.A., the provider of the TV services under the "AKTA" trademark. The scope of the agreement for ROMTELECOM was to take over the assets and customer base. The Competition Council approved the transfer. The transfer became effective on June 1, 2011. The total consideration was Euro 11.2 and the assets acquired have been recorded in the consolidated statement of financial position in the line "Property, plant and equipment", until the finalization of the purchase price allocation.

As of June 30, 2011 the consideration paid for the above mentioned transactions amounted to Euro 7.2.

Within 2010, NEXTGEN, a fully owned subsidiary of ROMTELECOM, concluded a number of network acquisitions. The contracts cover network assets, customer base and personnel and the acquisitions qualified as business combinations. NEXTGEN received in 2010 the approval of these transactions from the Competition Council and the acquisitions were consolidated effective July 1, 2010. The total consideration was Euro 22.8 and the assets acquired have been recorded in the consolidated statement of financial position in the line "Property, plant and equipment", until the finalization of the purchase price allocation.

5. SHARE CAPITAL – SHARE PREMIUM

OTE's share capital as of June 30, 2011 and December 31, 2010, amounted to Euro 1,171.5, divided into 490,150,389 registered shares, with a nominal value of Euro 2.39 (absolute amount) per share. The share premium as of June 30, 2011 and as of December 31, 2010 amounted to Euro 511.8 and Euro 510.6, respectively, the increase (Euro 1.2) being the amount charged to the income statement of the first half 2011 under the Group's share option plan (Note 16).

The following is an analysis of the ownership of OTE's shares as of June 30, 2011:

Shareholder	Number of shares	Percentage %
Hellenic State	78,424,065	16.00%
IKA–ETAM (refers only to the transfer of 4% from the Hellenic State)	19,606,015	4.00%
DEUTSCHE TELEKOM AG	147,045,118	30.00%
Institutional Investors	197,672,008	40.33%
Private Investors	47,403,183	9.67%
TOTAL	**490,150,389**	**100.00%**

For recent developments, see Note 19.

6. DIVIDENDS

Under Greek Corporate Law, each year companies are required to distribute to their owners dividends of at least 35% of net profits which result from their accounting books and records (published financial statements), after allowing for the statutory reserve. However, companies can waive such dividend payment requirement a) by a General Assembly decision with a majority of 65% of share capital, where the undistributed amount up to 35% of net profits is transferred to a special reserve or b) by a General Assembly decision with a majority of 70% of share capital without a requirement for establishing a special reserve.

According to the Company's Articles of Incorporation before its amendment by the General Assembly held on June 23, 2011, the minimum dividend provided to shareholders (after allowing for the statutory reserve) is set to be the maximum amount of either thirty five percent (35%) of net profits or six percent (6%) of share capital, limited to the amount of the net profits of the year. In order not to distribute the excess amount (according to the Articles of Incorporation) over the 35% of net profits required by Law, the following is required a) either the amendment of the Articles of Incorporation by a General Assembly decision with increased quorum and majority, b) or a General Assembly decision with the consent of shareholders representing 100% of share capital.

On June 23, 2011, the General Assembly of OTE's Shareholders approved the distribution of a dividend from 2010 profits of a total amount of Euro 57.8 or Euro 0.1179 (in absolute amount) per share. The amount of dividends payable as of June 30, 2011, amounted to Euro 55.2 (December 31, 2010: Euro 2.3). According to the new tax law 3943/2011, a 25% withholding tax is imposed on profits distributed by Greek entities which will be borne by the beneficiary and applies to the distribution of profits approved after January 1, 2012. Especially for distribution of profits approved within 2011, the withholding tax rate is 21% (see Note 9).

The General Assembly of OTE's Shareholders held on June 23, 2011 amended the Articles of Incorporation and from now on the minimum dividend provided to Shareholders will be conducted according to the provision of the law as in force.

7. LONG-TERM BORROWINGS

Long-term borrowings are analyzed as follows:

GROUP		30/06/2011	31/12/2010
(a)	Syndicated loans	1,397.8	474.2
(b)	Global Medium-Term Note Program	3,587.7	4,781.1
(c)	Other bank loans	17.9	38.9
Total long-term debt		**5,003.4**	**5,294.2**
Short-term portion		(410.1)	(2,082.8)
Long-term portion		**4,593.3**	**3,211.4**

(a) Syndicated loans

On January 26, 2011, OTE PLC drew in full the Euro 332.0 Revolving Credit Facility under the Euro 850.0 Syndicated Facility. The facility bears floating interest rate.

On February 9, 2011, OTE signed a Euro 900.0 Revolving Credit Facility (Bond Loan) with a consortium of banks and on February 10, 2011, OTE drew Euro 600.0 from this Facility. The specific transaction is described below under the Company section.

(b) Global Medium-Term Note Programme

In January and February 2011, OTE PLC proceeded with partial repurchases of total nominal amount of Euro 29.7 under the Notes due in February 2011. On February 14, 2011, OTE PLC proceeded with the full redemption of the remaining outstanding amount of Euro 1,370.7 Notes, along with the payment of accrued interest.

On February 21, 2011, OTE PLC repurchased Euro 5.0 of the Euro 900.0 4.625% Notes due in May 2016. The repurchased Notes have been cancelled.

In March, April, May and June 2011, OTE PLC proceeded with partial repurchases of total nominal amount of Euro 293.9 under the Notes Euro 650.0 3.75% due on November 11, 2011 along with the payment of accrued interest. The repurchased Notes have been cancelled.

New Euro 500.0 Notes under the Global Medium-Term Note Program

On April 8, 2011, OTE PLC issued Euro 500.0 7.250% Notes under the Global Medium-Term Note Program, maturing on April 8, 2014.

The facility contains a change of control clause which is triggered if an entity (other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with at least one credit rating issued by either (i) Standard & Poor's Credit Market Services Europe Limited or (ii) Moody's Investors Service España, S.A. (each, together with any successor thereto, a "Rating Agency") equivalent or better than the credit rating of DEUTSCHE TELEKOM AG issued by that Rating Agency at that point in time), gains the power to direct the management and policies of OTE, whether through the ownership of voting capital, by contract or otherwise.

In accordance with the final terms of the Notes, 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.

Euro 150.0 Revolving Credit Facility committed by DEUTSCHE TELEKOM AG

On January 31, 2011 OTE PLC signed a Euro 150.0 Revolving Credit Facility with DEUTSCHE TELEKOM AG with the guarantee of OTE, maturing on January 31, 2012 which remains undrawn as a liquidity reserve.

(c) Other bank loans

During 2011, ROMTELECOM fully repaid two of its loans denominated in Korean Won that would mature in 2014 and 2020 paying an amount of Euro 19.4 and OTE PLUS repaid loans of Euro 1.5.

COMPANY	30/06/2011	31/12/2010
(a) Syndicated loans	591.6	-
(b) Intercompany loans from OTE PLC	2,141.5	2,834.5
Total long-term debt	**2,733.1**	**2,834.5**
Short-term portion	(20.3)	(1,119.1)
Long-term portion	**2,712.8**	**1,715.4**

(a) Syndicated loans

On February 9, 2011, OTE signed a Euro 900.0 Revolving Credit Facility (Bond Loan) with a consortium of banks. The facility has a tenor of 2 years with a 1-year extension option at the discretion of the banks. The facility bears floating interest rate where the margin is dependent on OTE credit rating assigned by Moody's and Standard & Poor's as well as on the facility's utilization. Any undrawn amounts will bear a commitment fee.

On February 10, 2011, OTE drew Euro 600.0 under this facility and used the proceeds for debt repayment of loans from OTE PLC.

The Facility contains a change of control clause which is triggered if an entity (other than DEUTSCHE TELEKOM AG, DEUTSCHE TELEKOM AG together with the Hellenic Republic, or any telecommunication operator based in Greece or abroad with rating equivalent or better than DEUTSCHE TELEKOM AG) gains control of OTE.

The Facility also includes two financial covenants, namely:

- The ratio of Group Net Borrowings to Group EBITDA should not exceed 3:1 at all times and
- The ratio of Group EBITDA to Group Net Interest Payable should exceed 5:1 at all times.

The above covenants are reviewed for compliance with the annual and semi-annual OTE Group financial statements, beginning with the financial period ended on December 31, 2010. The covenants are complied for the current financial period.

Arrangement and agency fees totalling to Euro 10.4 were recognized against the loan and are amortized over its two year period. As of June 30, 2011, an amount of Euro 2.0 has been amortized and the outstanding balance of the syndicated loan is Euro 591.6.

(b) Intercompany loans from OTE PLC

On January 26, 2011, OTE proceeded with the full drawdown of the amount of Euro 332.0 under the intercompany loan from OTE PLC.

In January and February 2011, OTE proceeded with the gradual repayment of the remaining outstanding balance of Euro 970.4 under the intercompany facility maturing on February 13, 2011, along with the payment of accrued interest.

On February 11, 2011, OTE proceeded with a partial prepayment of Euro 88.0 under the intercompany loan maturing in August 2013, along with the payment of accrued interest.

In March, April and May 2011, OTE proceeded with the gradual repayment of the remaining outstanding balance of Euro 150.0 under the intercompany loan maturing in November 2011, along with the payment of accrued interest.

On April 8, 2011, OTE signed a Euro 500.0 intercompany loan, maturing in April 2014. On the same day OTE drew in full this intercompany loan. The loan bears fixed interest rate.

On June 23, 2011, OTE proceeded with a partial prepayment of Euro 320.0 under the intercompany loan maturing in August 2013, along with the payment of accrued interest. This prepayment effected at market rates (at a price of 96.8%) thus led to a gain of Euro 10.2 which is recorded in the separate income statement of the first six months of 2011, in the line "Interest expense".

(c) Interest rate swaps

In April 2011, OTE converted the Euro 500.0 fixed rate loan into floating via interest rate swap agreements. The swaps have been assigned as fair value hedges both on parent company and group level.

8. INCOME TAXES

In accordance with the Greek tax regulations, the income tax rate was 24% for 2010 and it would be gradually reduced as follows: 23% for 2011, 22% for 2012, 21% for 2013 and 20% for 2014 onwards. Following the new tax law 3943/2011, the income tax rate is 20% for 2011 onwards.

The effect of the change in the income tax rate resulted in a tax expense amounting to Euro 20.8 for the Group and Euro 14.3 for the Company, of which Euro 0.4 was charged in equity, due to the re-measurement of the deferred tax position. These charges have been recorded in the consolidated and separate income statement of the first six months of 2011.

Greek tax regulations and related clauses are subject to interpretation by the tax authorities and administrative courts of law.

Tax returns are filed annually but the profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the tax payer and a final assessment is issued. Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

Under Greek tax regulations, an income tax advance calculation on each year's current income tax liability is paid to the tax authorities. Such advance is then netted off with the following year's income tax liability. Any excess advance amounts are refunded to the companies following a tax examination.

New tax law

According to the new tax law 3943/2011, the corporate income tax rate of legal entities is set at 20% for 2011 onwards.

Furthermore, a 25% withholding tax is imposed on profits distributed by Greek entities which will be borne by the beneficiary and applies to the distribution of profits approved after January 1, 2012. Especially for distribution of profits approved within 2011, the withholding tax rate is 21%. This tax is withheld by the entity which distributes its profits and exhausts the tax liability of the beneficiaries, unless they are individuals. Withholding tax shall not be imposed on dividends paid to a legal entity established in another Member State of the EU, subject to the conditions of L.2578/1998 (Parent-Subsidiary Directive). In cases of a group whereby an EU parent owns a Greek company, which on its turn owns a Greek subsidiary, the tax that has been withheld upon distribution by the Greek subsidiary to its Greek parent is refunded to the Greek parent when it distributes on its turn a dividend to its EU parent.

The Company and its subsidiaries have not been audited by the tax authorities for the years described below and, therefore, the tax liabilities for these open years have not been finalized:

COMPANY	Open Tax Years
OTE	From 2009
COSMOTE	From 2010
OTE INTERNATIONAL INVESTMENTS LTD	From 2010
HELLAS SAT	From 2008
COSMO-ONE	From 2010
VOICENET	From 2004
HELLASCOM	From 2010
OTE PLC	From 2005
OTE SAT-MARITEL	From 2007
OTE PLUS	From 2008

COMPANY	Open Tax Years
OTE ESTATE	From 2008
OTE-GLOBE	From 2010
OTE INSURANCE	From 2010
OTE ACADEMY	From 2007
HATWAVE	From 1996
OTE INVESTMENTS SERVICES S.A.	From 2005
ROMTELECOM	From 2006
NEXTGEN	From 2008
AMC	From 2010
GLOBUL	From 2005
COSMOTE ROMANIA	From 2007
GERMANOS	From 2010
E-VALUE S.A.	From 2010
GERMANOS TELECOM ROMANIA S.A.	From 2003
SUNLIGHT ROMANIA S.R.L. -FILIALA	From 2005
GERMANOS TELECOM BULGARIA A.D.	From 2010
MOBILBEEEP LTD	From 2005
HELLAS SAT S.A.	From 2008
CHA	From 2007
COSMO-HOLDING CYPRUS	From 2006
COSMOHOLDING ROMANIA LTD	From 2009 (incorporation)
ZAPP	From 2009
OTE PROPERTIES	From 2008 (incorporation)
E-VALUE LTD	From 2010 (incorporation)

- The tax audit of COSMOTE for the fiscal year 2009 was completed during 2011, without any impact to the Group.
- The tax audit of OTE-GLOBE for the fiscal years 2007-2009 was completed during 2011, without any impact to the Group.
- The tax audit of AMC for the fiscal years 2008-2009 was completed during 2011 and the impact to the Group amounted to Euro 0.3. The rational of these additional taxes is being questioned by AMC which has already appealed and undertook all necessary actions against them.
- The tax audit of GERMANOS for the fiscal years 2008-2009 was completed during 2011 and the impact to the Group amounted to Euro 1.1.
- The tax audit of OTE INTERNATIONAL INVESTMENTS LTD for the fiscal years 2003-2009 was completed during 2011, without any impact to the Group.

The major components of income tax expense are as follows:

GROUP	2nd Quarter		1st Half	
	2011	2010	2011	2010
Current income tax	28.6	34.3	54.9	80.9
Special contribution (Law 3845/2010)	-	97.0	-	97.0
Tax on dividends (Law 3697/2008 & Law 3943/2011)	0.2	19.0	0.2	19.0
Differences arising from tax audits	1.4	-	1.4	30.0
Deferred income tax - Effect due to change in the income tax rate	-	-	20.4	-
Deferred income tax	(3.3)	19.1	(1.7)	18.0
Total income tax	**26.9**	**169.4**	**75.2**	**244.9**

COMPANY	2nd Quarter		1st Half	
	2011	2010	2011	2010
Current income tax	5.7	5.0	11.8	16.9
Special contribution (Law 3845/2010)	-	45.1	-	45.1
Tax on dividends (Law 3697/2008 & Law 3943/2011)	0.2	19.0	0.2	19.0
Differences arising from tax audits	-	-	-	30.0
Deferred income tax - Effect due to change in the income tax rate	-	-	13.9	-
Deferred income tax	1.0	19.2	4.3	16.0
Total income tax	**6.9**	**88.3**	**30.2**	**127.0**

Income tax payable for the Group and the Company as of June 30, 2011 amounted to Euro 58.6 and Euro 1.6, respectively.

9. REVENUE

Revenue is analyzed as follows:

GROUP	2nd Quarter		1st Half	
	2011	2010	2011	2010
DOMESTIC TELEPHONY				
Monthly network service fees	163.3	189.7	332.9	388.5
Local and long-distance calls				
-Fixed to fixed	84.9	101.9	171.4	208.5
-Fixed to mobile	31.7	43.3	63.0	89.0
	116.6	145.2	234.4	297.5
Other	16.1	17.7	32.3	36.1
	296.0	**352.6**	**599.6**	**722.1**
INTERNATIONAL TELEPHONY				
International traffic	15.4	18.7	30.8	35.8
Dues from mobile operators	7.4	9.2	14.3	19.1
Dues from international operators	17.0	22.8	31.4	48.8
	39.8	**50.7**	**76.5**	**103.7**
MOBILE TELEPHONY	**520.7**	**555.6**	**1,006.0**	**1,116.1**
OTHER REVENUE				
Prepaid cards	5.5	4.7	9.9	12.0
Leased lines and Data ATM communications	79.4	72.1	156.8	146.3
Integrated Services Digital Network (ISDN)	29.7	33.0	60.8	66.8
Sales of telecommunication equipment	83.5	85.3	162.5	188.8
Internet/ ADSL	74.0	77.5	149.5	154.6
Co-location / Local Loop	48.5	41.3	99.4	81.7
Metro Ethernet & IP CORE	10.4	10.2	22.1	20.8
Provision for services	26.1	34.4	50.9	64.8
Interconnection charges	16.6	21.2	34.8	41.8
Miscellaneous	24.7	20.0	50.9	40.2
	398.4	**399.7**	**797.6**	**817.8**
TOTAL REVENUE	**1,254.9**	**1,358.6**	**2,479.7**	**2,759.7**

COMPANY	2nd Quarter		1st Half	
	2011	2010	2011	2010
DOMESTIC TELEPHONY				
Monthly network service fees	110.3	126.9	225.1	259.0
Local and long-distance calls				
-Fixed to fixed	76.8	90.9	154.0	184.3
-Fixed to mobile	22.2	30.1	43.8	61.0
	99.0	121.0	197.8	245.3
Other	13.6	15.1	27.7	30.7
	222.9	**263.0**	**450.6**	**535.0**
INTERNATIONAL TELEPHONY				
International traffic	9.9	12.3	19.6	23.2
Dues from mobile operators	7.2	10.5	14.4	19.7
Dues from international operators	9.5	17.1	17.5	34.3
	26.6	**39.9**	**51.5**	**77.2**
OTHER REVENUE				
Prepaid cards	5.0	5.0	9.7	11.8
Leased lines and Data ATM communications	21.1	34.5	54.0	75.9
Integrated Services Digital Network (ISDN)	27.2	29.8	55.1	60.5
Sales of telecommunication equipment	6.8	8.0	13.5	17.4
Internet/ ADSL	53.9	55.6	107.7	111.7
Co-location / Local Loop	47.3	40.0	97.1	78.9
Metro Ethernet & IP CORE	8.4	8.5	18.0	17.2
Provision for services	22.9	38.8	44.3	69.1
Interconnection charges	15.4	17.0	32.4	37.4
Miscellaneous	8.6	8.1	17.5	16.7
	216.6	**245.3**	**449.3**	**496.6**
TOTAL REVENUE	**466.1**	**548.2**	**951.4**	**1,108.8**

10. OTHER INCOME/ (EXPENSE), NET

Other income/ (expense), net is analyzed as follows:

GROUP	2nd Quarter		1st Half	
	2011	2010	2011	2010
Forfeiture of letters of guarantee	0.3	13.0	0.8	13.3
Rents	2.3	2.3	4.8	4.9
Income from penalties	1.4	2.5	2.7	6.5
Other	(0.4)	3.7	(2.5)	6.2
TOTAL	**3.6**	**21.5**	**5.8**	**30.9**

COMPANY	2nd Quarter		1st Half	
	2011	2010	2011	2010
Forfeiture of letters of guarantee	0.3	13.0	0.8	13.3
Rents	0.1	0.1	0.2	0.2
Other	0.6	0.4	(1.7)	0.9
TOTAL	**1.0**	**13.5**	**(0.7)**	**14.4**

11. COST OF EARLY RETIREMENT PROGRAM

The movement of the provision for the cost of the Voluntary Leave Scheme is as follows:

	01/01- 30/06/2011
Balance at the beginning of the period	**219.3**
Payments during the period	(33.7)
Adjustment due to time value of money	0.5
Balance at the end of the period	**186.1**

Based on the estimated period of payment, the provision relating to the Voluntary Leave Scheme is classified as follows:

	30/06/2011	31/12/2010
Long-term portion	10.5	29.9
Short-term portion	175.6	189.4
TOTAL	**186.1**	**219.3**

IKA-ETAM

Based on article 3 of the F/10051/27177/2174 Ministerial Decision issued at the end of March 2010, the additional financial burden of the Pension Sector of IKA-ETAM, the Auxiliary Insurance Sector for OTE personnel of TAYTEKO and the Medical Segment of TAYTEKO as derives from articles 2 and 4 of the Collective Labor Agreement signed between OTE and OME-OTE on July 20, 2005, should be paid for by OTE in a lump-sum to the above sectors by the last working day of September 2010. The amount of this additional financial burden would be determined by an actuarial study that would be performed by the Directorate of Actuarial Studies of the General Secretariat for Social Security in conjunction with the Directorate of Actuarial Studies and Statistics of IKA-ETAM by August 31, 2010.

On May 11, 2010 OTE filed an appeal against this Ministerial Decision before the Administrative Court of First Instance of Athens, requesting the annulment of article 3 as based on the Legal Department's assessment, it is in contravention of article 34 of L. 3762/2009 and consequently, there are valid grounds for the annulment of this article. On May 15, 2010 OTE also filed an appeal requesting the suspension of enforcement of this Ministerial Decision before the same Court. The hearing for the suspension of enforcement was held on June 8, 2010, before the Athens Administrative Court and the Court with its decision dated September 16, 2010 rejected OTE's request. Following this decision, subject to a positive outcome of a second request for suspension of enforcement that is OTE's right after the announcement of the actuarial study, OTE will be legally obliged to pay the disputed amount of the actuarial study in advance of legal proceedings, irrespective of the fact that the Company's position is that there are good grounds that OTE will finally win this case in court.

By its letter dated January 21, 2011 and received by OTE on January 28, 2011, the Ministry notified OTE of the completion of the actuarial studies and handed over to OTE a copy of such actuarial studies, pursuant to article 3 of the Ministerial Decision 10051/27177/2174, for the estimation of the additional financial burden of the pension funds, incurred by OTE's Voluntary Leave Scheme based on L. 3371/2005, stating that additional studies will follow for the estimation of the additional financial burden of the pension funds, incurred by OTE's Voluntary Retirement Scheme based on L. 3762/2009.

The additional financial burden that the above mentioned actuarial studies state that incurred based on L. 3371/2005, amounts to Euro 129.8.

OTE has a legal right and considers the option to file a new petition requesting suspension of enforcement of article 3 of the Ministerial Decision based on new legal grounds, once it has received a payment demand from the pension funds. At this stage, no reliable estimate can be made whether the suspension (fully or partially) will be granted or not.

The fact that the announcement of the results of the actuarial study eliminated the uncertainty regarding the amount of the obligation, together with the above mentioned inability to assess whether it is probable to take the suspension (given the first rejection) led to the conclusion that at this stage the existing contingent liability has crystallized. Furthermore, based on the provisions of IAS 10, this development should be treated as an adjusting subsequent event and therefore the amount of the actuarial study was recorded in the 2010 financial statements. With respect to the additional studies that will be performed (based on the Ministry's notification), OTE has not recorded any provision in its financial statements, as the amount cannot be reliably estimated until the announcement of such studies. OTE has not received any payment demand so far.

EARLY RETIREMENT PROGRAMS

OTE early retirement program

On March 31, 2011 OTE announced that it has reached an agreement with the union, regarding an early retirement program with incentives. The respective cost was estimated to Euro 10.5 and is recorded in the consolidated and separate income statement of the first six months of 2011, in the line "Cost of early retirement program".

COSMOTE restructuring plan

On February 28, 2011, COSMOTE announced operational efficiency measures to improve its competitiveness and flexibility to safeguard its sustainable growth potential. The respective cost was estimated to Euro 11.3 and is recorded in the consolidated income statement of the first six months of 2011, in the line "Cost of early retirement program".

ROMTELECOM restructuring plan

In January and May 2011, ROMTELECOM announced restructuring measures for 2011, in order to increase its efficiency and to reduce costs. The respective cost was estimated to Euro 27.9 and is recorded in the consolidated income statement of the first six months of 2011, in the line "Cost of early retirement program".

Amounts paid during the first six months of 2011, in relation to early retirement programs were Euro 39.5 for the Group and Euro 6.6 for the Company and were fully provided for.

12. OTHER OPERATING EXPENSES

Other operating expenses are analyzed as follows:

GROUP	2nd Quarter		1st Half	
	2011	2010	2011	2010
Third party fees	53.6	54.5	98.1	99.8
Cost of telecommunication materials, repairs and maintenance	35.2	42.0	68.9	78.3
TV costs	16.6	18.2	33.4	28.0
Advertising and promotion costs	40.1	51.2	72.4	99.4
Utilities	36.5	41.3	76.1	80.6
Provision for doubtful accounts	38.6	36.1	69.3	68.5
Travel costs	3.3	4.9	6.0	8.5
Commissions to independent commercial distributors	49.0	58.3	92.3	109.5
Payments to Audiotex providers	1.3	1.0	2.4	2.1
Rents	27.1	27.3	55.2	55.5
Taxes, other than income tax	12.4	14.0	26.2	28.3
Transportation costs	2.9	2.6	5.1	5.3
Other	14.4	9.8	28.4	23.9
TOTAL	**331.0**	**361.2**	**633.8**	**687.7**

COMPANY	2nd Quarter		1st Half	
	2011	2010	2011	2010
Third party fees	23.8	27.9	42.9	51.9
Cost of telecommunication materials, repairs and maintenance	12.2	15.0	24.4	29.2
TV costs	7.5	9.5	15.4	11.4
Advertising and promotion costs	6.4	10.0	11.7	19.6
Utilities	13.3	14.0	27.5	25.9
Provision for doubtful accounts	9.7	8.1	16.3	17.1
Travel costs	1.4	2.6	2.5	4.1
Payments to Audiotex providers	0.9	0.8	1.8	1.6
Rents	17.6	18.6	35.3	37.2
Taxes, other than income tax	3.3	3.0	6.6	6.3
Transportation costs	1.5	1.6	2.6	2.6
Other	3.8	0.5	8.3	4.9
TOTAL	101.4	111.6	195.3	211.8

13. EARNINGS PER SHARE

Earnings per share (after income taxes,) are calculated by dividing the profit attributable to the owners of the Company by the weighted average number of shares outstanding during the period, excluding the average number of own shares that the Company possessed during the period and including (for the diluted earnings per share) the number of share options outstanding at the end of the period that have a dilutive effect on earnings per share.

Earnings per share are analyzed as follows:

GROUP	2nd Quarter		1st Half	
	2011	2010	2011	2010
Profit/ (loss) attributable to owners of the parent	62.2	(60.8)	92.4	5.0
Weighted average number of shares for basic earnings per share	490,150,389	490,150,389	490,150,389	490,150,389
Share options outstanding	12,172,610	12,971,686	12,172,610	12,971,686
Weighted average number of shares adjusted for the effect of dilutions	490,150,389	490,150,389	490,150,389	490,150,389
Basic earnings/ (losses) per share	0.1269	(0.1240)	0.1885	0.0102
Diluted earnings/ (losses) per share	0.1269	(0.1240)	0.1885	0.0102

(Earnings/ (losses) per share are in absolute amounts)

For the first six months of 2011 and 2010 the outstanding options did not have a dilutive effect on earnings per share and, therefore, are not included in the earnings per share calculation.

14. OPERATING SEGMENT INFORMATION

The following information is provided for the reportable segments, which are separately disclosed in the financial statements and which are 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, or the sub groups included in the consolidation.

Using the quantitative thresholds OTE, COSMOTE group and ROMTELECOM have been determined to be reportable segments. Information about operating segments that do not constitute reportable segments has been combined and disclosed in an "All Other" category. The types of services provided by the reportable segments are as follows:

- OTE is a provider of local, long-distance and international fixed-line voice telephony and internet access services in Greece.
- COSMOTE group is a provider of mobile telecommunications services in Greece, Albania, Bulgaria and Romania.
- ROMTELECOM is a provider of local, long-distance and international fixed-line voice telephony and internet access services in Romania.

Accounting policies of the operating segments are the same as those followed for the preparation of the financial statements. Intersegment revenue are generally reported at values that approximate third-party selling prices. Management evaluates segment performance based on operating profit before depreciation, amortization, impairment and cost of early retirement program; operating profit and profit for the period.

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

Six month period ended June 30, 2011	OTE	COSMOTE GROUP	ROMTELECOM	OTHER	TOTAL	Eliminations	GROUP
Revenue from external customers	875.2	1,173.1	318.0	113.4	2,479.7	-	2,479.7
Intersegment revenue	76.2	75.1	14.4	122.6	288.3	(288.3)	-
Total revenue	951.4	1,248.2	332.4	236.0	2,768.0	(288.3)	2,479.7
Other income/(expense), net	(0.7)	(1.3)	8.2	1.2	7.4	(1.6)	5.8
Operating expenses	(859.3)	(1,074.7)	(369.3)	(211.3)	(2,514.6)	290.7	(2,223.9)
Operating profit/(loss)	91.4	172.2	(28.7)	25.9	260.8	0.8	261.6
Operating profit before depreciation, amortization, impairment and cost of early retirement program	271.4	433.0	79.3	57.5	841.2	(1.3)	839.9
Profit/(loss) for the period	4.3	103.4	(26.2)	55.7	137.2	(56.0)	81.2

Six month period ended June 30, 2010	OTE	COSMOTE GROUP	ROMTELECOM	OTHER	TOTAL	Eliminations	GROUP
Revenue from external customers	1,004.3	1,314.0	357.1	84.3	2,759.7	-	2,759.7
Intersegment revenue	104.5	83.1	8.2	137.6	333.4	(333.4)	-
Total revenue	1,108.8	1,397.1	365.3	221.9	3,093.1	(333.4)	2,759.7
Other income/(expense), net	14.4	-	18.2	1.1	33.7	(2.8)	30.9
Operating expenses	(973.7)	(1,175.4)	(404.8)	(191.6)	(2,745.5)	335.1	(2,410.4)
Operating profit / (loss)	149.5	221.7	(21.3)	31.4	381.3	(1.1)	380.2
Operating profit before depreciation, amortization, impairment and cost of early retirement program	349.2	472.7	104.0	53.2	979.1	(4.4)	974.7
Profit /(loss) for the period	112.1	71.7	(32.5)	13.7	165.0	(189.2)	(24.2)

15. RELATED PARTY DISCLOSURES

OTE's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

The Company purchases goods and services from these related parties, and provides services to them. Furthermore, OTE grants/ receives loans to/ from these related parties, receives dividends and pays dividends.

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

	1st Half 2011		1st Half 2010	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE	57.0	40.5	75.5	52.1
OTE INTERNATIONAL INVESTMENTS LTD	0.2	2.0	0.2	2.2
HELLAS-SAT	0.2	1.9	0.3	0.8
COSMO-ONE	-	0.3	-	0.3
VOICENET	1.6	1.4	2.2	1.8
HELLASCOM	0.1	4.3	0.1	4.2
OTE SAT – MARITEL	0.5	0.6	0.6	0.9
OTE PLUS	0.2	15.2	0.2	17.1
OTE ESTATE	0.9	30.8	-	32.0
OTE-GLOBE	15.5	34.6	25.4	42.5
OTE ACADEMY	-	2.0	-	2.4
ROMTELECOM	-	0.2	-	0.3
TOTAL	**76.2**	**133.8**	**104.5**	**156.6**

Purchases and sales of the Group with related parties which are not eliminated in the consolidation are analyzed as follows:

	1st Half 2011		1st Half 2010	
	Group's Sales	Group's Purchases	Group's Sales	Group's Purchases
TELEKOM DEUTSCHLAND	6.7	7.0	6.5	4.6
HRVATSKI TELEKOM	0.1	0.2	0.2	0.2
COMBRIDGE	0.8	0.2	1.9	0.1
ORBITEL	-	0.4	-	0.2
DETEKON	-	0.1	-	-
T-SYSTEMS	0.5	0.2	0.5	-
T-MOBILE CZECH	0.1	0.1	0.1	0.1
T-MOBILE UK	0.3	0.4	0.3	0.2
T-MOBILE AUSTRIA	0.2	0.1	0.2	0.4
T-MOBILE NETHERLANDS	0.1	0.1	0.1	0.1
T-MOBILE USA	0.2	0.2	0.3	0.2
T-MOBILE HUNGARY	0.2	0.1	0.3	0.1
T-MOBILE TELEKOMUNIKASYON	-	-	-	0.2
PCT POLSKA TELEFONIA	0.2	0.1	0.2	-
CRNOGORSKI TELEKOM	-	0.1	-	-
TOTAL	**9.4**	**9.3**	**10.6**	**6.4**

The financial activities of OTE with its related parties comprise interest on loans received and are analyzed as follows:

	Finance expense OTE	
	1st Half 2011	1st Half 2010
OTE PLC	51.5	81.1
TOTAL	**51.5**	**81.1**

The financial activities of the Group with related parties which are not eliminated in the consolidation are analyzed as follows:

	Finance expense Group	
	1st Half 2011	1st Half 2010
TELEKOM DEUTSCHLAND	0.9	-
TOTAL	**0.9**	**-**

OTE's dividend income from its related parties is analyzed as follows:

	1st Half 2011	1st Half 2010
COSMOTE	-	151.2
OTE ESTATE	-	37.0
OTE SAT – MARITEL	1.2	1.7
OTE INTERNATIONAL	-	2.0
TOTAL	**1.2**	**191.9**

Amounts owed to and by the related parties as a result of OTE's transactions with them are analyzed as follows:

	30/06/2011		31/12/2010	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
COSMOTE	40.4	60.5	61.2	59.9
OTE INTERNATIONAL INVESTMENTS LTD	0.1	0.9	0.2	1.1
HELLAS-SAT	0.2	1.3	0.2	0.9
COSMO-ONE	-	0.2	-	0.2
VOICENET	0.7	0.6	0.9	0.6
HELLASCOM	-	2.3	-	2.0
OTE SAT – MARITEL	3.1	5.2	2.6	4.5
OTE PLUS	0.1	12.1	0.2	15.6
OTE ESTATE	0.8	15.9	1.3	13.7
OTE-GLOBE	61.2	79.8	61.5	96.3
OTE ACADEMY	0.4	0.4	0.4	0.5
ROMTELECOM	0.2	0.2	0.2	0.1
TOTAL	**107.2**	**179.4**	**128.7**	**195.4**

Amounts owed to and by the related parties as a result of the Group's transactions with them, which are not eliminated in the consolidation, are analyzed as follows:

	30/06/2011		31/12/2010	
	Amounts owed to Group	Amounts owed by Group	Amounts owed to Group	Amounts owed by Group
TELEKOM DEUTSCHLAND	6.1	11.8	5.3	8.2
DETEKON	-	0.1	-	-
COMBRIDGE	0.5	0.3	0.3	-
ORBITEL	-	0.1	-	-
T-SYSTEMS	0.2	0.1	0.1	-
T-MOBILE HUNGARY	-	0.1	0.1	0.1
T-MOBILE CZECH	0.1	0.1	0.1	0.1
T-MOBILE UK	0.6	4.5	0.3	0.9
T-MOBILE AUSTRIA	0.4	0.2	0.1	0.1
T-MOBILE NETHERLANDS	0.2	0.1	-	0.2
T-MOBILE USA	-	0.7	0.6	1.7
PCT POLSKA TELEFONIA	0.4	-	0.1	0.3
HRVATSKI TELEKOM	0.1	0.2	-	0.1
T-MOBILE INTERNATIONAL	-	-	-	1.0
CRNOGORSKI TELEKOM	-	0.1	-	-
TOTAL	**8.6**	**18.4**	**7.0**	**12.7**

Amounts due to related parties as a result of OTE's dividend distribution are analyzed as follows:

	30/06/2011	31/12/2010
DEUTSCHE TELEKOM AG	17.3	-

Amounts owed by OTE relating to loans received, are analyzed as follows:

	Amounts owed by OTE	
	30/06/2011	31/12/2010
OTE PLC	2,195.1	2,938.0
TOTAL	**2,195.1**	**2,938.0**

Key management personnel and those closely related to them are defined in accordance with IAS 24 "Related Party Disclosures". Compensation includes all employee benefits (as defined in IAS 19 "Employee Benefits") including employee benefits to which IFRS 2 "Share-based Payment" applies.

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 2.3 for the first half of 2011.

As of June 30, 2011, 2,240,102 options under OTE's share based payment plan have been granted to the Company's key management personnel.

16. SHARE OPTION PLAN

The total number of share options outstanding is analyzed as follows:

	01/01- 30/06/2011		01/01- 31/12/2010	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the period	12,680,487	13.44	8,674,600	15.59
Granted	-	-	4,671,436	9.32
Forfeited	(507,877)	12.14	(665,549)	12.57
Outstanding at the end of the period	12,172,610	13.49	12,680,487	13.44
Exercisable at the end of the period	6,649,646	14.99	6,712,896	15.00

The fair value is reflected in the income statement during the vesting period. An amount of Euro 1.2 and Euro 0.5 was charged to the consolidated and the separate income statement of the first six months of 2011, respectively and are recorded in the line "Payroll and employee benefits" with a corresponding entry in the Share Premium.

17. LITIGATION AND CLAIMS

There are no significant developments with respect to the litigations and claims referred to the financial statements as of December 31, 2010 except for the following:

On June 8, 2011 TELEKOM SLOVENIJE partially quantified its alleged damages in the amount of approximately Euro 10.5, with additional sums to be further quantified. In accordance with the terms of the share purchase agreement, COSMOTE is obliged to indemnify TELEKOM SLOVENIJE only for claims against COSMOFON that refer to the period prior to the sale and where the amount of loss exceeds Euro 2.0. COSMOTE intends to take necessary action to oppose any unsubstantiated and unfounded claims.

On April 24, 2011, “D.N.K. Sports marketing and promotion LTD” filed a lawsuit against OTE before the Athens Multi Member Court of First Instance, claiming an amount of Euro 5.1 for economic and moral damages.

The Group and the Company have made appropriate provisions in relation to litigations and claims, when it is probable an outflow of recourses will be required to settle the obligations and it can be reasonably estimated.

18. RECLASSIFICATIONS

In the consolidated and separate income statements and in the consolidated and separate statements of cash flows for the first six months of 2010, the amount reflected in “Provision for staff retirement indemnities and youth account” has been analyzed and reflected in “Provision for staff retirement indemnities” and in “Provision youth account”.

19. EVENTS AFTER THE FINANCIAL POSITION DATE

The most significant events after June 30, 2011, are as follows:

CHANGE IN OWNERSHIP OF OTE’s SHARES

Since July 11, 2011, following an acquisition of shares and voting rights, the participation of DEUTSCHE TELEKOM AG in the total share capital and voting rights of OTE increased to 40.00% which equals to 196,060,156 shares and to the corresponding voting rights.

OTE & OTE PLC LOANS

On July 13, 2011, OTE drew the remaining Euro 300.0 that was available under the Euro 900.0 Revolving Credit Facility (Bond Loan).

In July 2011, OTE PLC has proceeded with partial repurchases of total nominal amount of Euro 9.4 under the Notes Euro 650.0 3.75% due on November 11, 2011 along with the payment of accrued interest. The repurchased Notes have been cancelled. The outstanding nominal amount of the Notes after the above repurchases is Euro 346.8.

V. FINANCIAL DATA AND INFORMATION

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

AR.MAE 347/06/B86/10

REGISTERED OFFICE: 99 KIFFISIAS AVE - 15124 MAROUSI, ATHENS

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM JANUARY 1, 2011 TO JUNE 30, 2011

(In accordance with the Decision 4/507/28.4.2009 of the Hellenic Capital Market Commission)

The purpose of the following information and financial data is to provide users with general financial information about the financial position and the results of operations of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A ("Company") and the OTE Group ("Group"). Therefore, we recommend the users of the financial data and information, before making any investment decision or proceeding to any transaction with the Group or the Company, to obtain the necessary information from the website, where the consolidated and separate financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the E.U., are available, together with the auditors' report, when required.

Company's Web Site : www.ote.gr

Date of approval of financial statements from the Board of Directors: August 3, 2011

The Certified Auditor : Marios Psaltis Reg. N. 38081

Auditing Company : PricewaterhouseCoopers Reg. N. 113

Type of Review Report : Unqualified

DATA FROM STATEMENT OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE) Amounts in millions of Euro

	GROUP		COMPANY	
	30.06.2011	31.12.2010	30.06.2011	31.12.2010
ASSETS				
Property, plant and equipment	4,891.6	5,061.9	1,777.5	1,864.0
Intangible assets	1,318.7	1,359.8	4.5	2.1
Other non current assets	718.0	697.8	5,129.6	5,220.2
Inventories	163.3	160.8	27.8	27.9
Trade receivables	995.5	1,010.8	512.8	534.8
Other current assets	249.3	242.4	101.4	110.7
Cash and cash equivalents	867.4	1,004.3	189.8	189.0
TOTAL ASSETS	**9,203.8**	**9,537.8**	**7,743.4**	**7,948.7**
EQUITY AND LIABILITIES				
Share capital	1,171.5	1,171.5	1,171.5	1,171.5
Other equity items	(14.1)	(71.9)	2,162.8	2,198.9
Equity attributable to owners of the parent (a)	1,157.4	1,099.6	3,334.3	3,370.4
Non-controlling interests (b)	503.4	553.0	-	-
Total equity (c) = (a) + (b)	**1,660.8**	**1,652.6**	**3,334.3**	**3,370.4**
Long-term borrowings	4,593.3	3,211.4	2,712.8	1,715.4
Provisions / Other non current liabilities	742.6	747.7	594.6	626.4
Short-term borrowings	414.2	2,088.4	20.3	1,119.1
Other current liabilities	1,792.9	1,837.7	1,081.4	1,117.4
Total liabilities (d)	**7,543.0**	**7,885.2**	**4,409.1**	**4,578.3**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**9,203.8**	**9,537.8**	**7,743.4**	**7,948.7**

DATA FROM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED AND SEPARATE) Amounts in millions of Euro

GROUP	01.01-30.06.2011	01.01-30.06.2010	01.04-30.06.2011	01.04-30.06.2010
Total revenue	2,479.7	2,759.7	1,254.9	1,358.6
Profit before taxes, investment and financial activities	**261.6**	**380.2**	**131.3**	**178.4**
Profit before tax	156.4	220.7	83.0	79.5
Profit / (loss) after tax (A)	**81.2**	**(24.2)**	**56.1**	**(89.9)**
Attributable to:				
- Owners of the parent	92.4	5.0	62.2	(60.8)
- Non controlling interests	(11.2)	(29.2)	(6.1)	(29.1)
Other comprehensive income / (loss) after tax (B)	**22.4**	**(78.4)**	**(56.8)**	**(152.3)**
Total comprehensive income / (loss) after tax (A)+(B)	**103.6**	**(102.6)**	**(0.7)**	**(242.2)**
Attributable to:				
- Owners of the parent	109.5	(48.4)	20.0	(164.2)
- Non controlling interests	(5.9)	(54.2)	(20.7)	(78.0)
Basic earnings / (losses) per share (in €)	**0.1885**	**0.0102**	**0.1269**	**(0.1240)**
Profit before taxes, investment, financial activities and depreciation, amortization and impairment	**790.2**	**941.9**	**396.9**	**463.2**

COMPANY	01.01-30.06.2011	01.01-30.06.2010	01.04-30.06.2011	01.04-30.06.2010
Total revenue	951.4	1,108.8	466.1	548.2
Profit before taxes, investment and financial activities	**91.4**	**149.5**	**34.3**	**91.7**
Profit before tax	34.5	239.1	13.7	224.7
Profit after tax (A)	**4.3**	**112.1**	**6.8**	**136.4**
Other comprehensive income / (loss) after tax (B)	**11.3**	**(16.1)**	**(2.3)**	**(3.5)**
Total comprehensive income after tax (A)+(B)	**15.6**	**96.0**	**4.5**	**132.9**
Profit before taxes, investment, financial activities and depreciation, amortization and impairment	**260.9**	**339.3**	**119.8**	**185.6**

DATA FROM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED AND SEPARATE) Amounts in millions of Euro

	GROUP		COMPANY	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
Total equity at the beginning of the period (01.01.2011 and 01.01.2(	1,652.6	1,884.1	3,370.4	3,347.8
Total comprehensive income / (loss) after tax	103.6	(102.6)	15.6	96.0
Dividends	(101.5)	(93.1)	(57.8)	(93.1)
Withholding tax related to dividend paid out of dividend income subject to withholding tax	4.9	6.5	4.9	6.5
Share-based payments	1.2	2.9	1.2	2.9
Total equity at the end of the period (30.06.2011 and 30.06.2010)	**1,660.8**	**1,697.8**	**3,334.3**	**3,360.1**

DATA FROM STATEMENT OF CASH FLOWS (CONSOLIDATED AND SEPARATE) (Amounts in millions of Euro)

	GROUP		COMPANY	
	01.01-30.06.2011	01.01-30.06.2010	01.01-30.06.2011	01.01-30.06.2010
Cash flows from operating activities				
Profit before tax	156.4	220.7	34.5	239.1
Adjustments for:				
Depreciation, amortization and impairment	528.6	561.7	169.5	189.8
Share-based payment	1.2	2.9	0.5	1.3
Cost of early retirement program	49.7	32.8	10.5	9.9
Provisions for staff retirement indemnities	11.7	13.5	10.1	12.1
Provisions for youth account	9.5	13.1	9.5	13.1
Provisions for doubtful accounts	69.3	68.5	16.3	17.1
Other provisions	-	(4.2)	-	(4.3)
Foreign exchange differences, net	(8.7)	10.2	(1.7)	-
Interest income	(10.8)	(14.6)	(5.3)	(4.1)
Dividend income	(10.4)	(9.0)	(11.6)	(200.9)
Losses from investments and financial assets - Impairments	0.2	2.8	0.2	1.8
Release of EDEKT fund prepayment	17.6	17.6	17.6	17.6
Interest expense	134.9	170.1	75.3	113.6
Working capital adjustments:				
Decrease / (increase) in inventories	(2.5)	23.6	0.1	(1.0)
Decrease / (increase) in accounts receivables	(55.0)	(45.8)	1.1	(5.0)
(Decrease) in liabilities (except borrowings)	(48.1)	(103.6)	(45.8)	(24.9)
Plus/ (Minus):				
Payment of early retirement programs	(73.2)	(135.9)	(40.3)	(120.6)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(32.1)	(46.8)	(30.5)	(45.1)
Interest and related expenses paid	(174.4)	(163.8)	(109.5)	(95.5)
Income taxes paid	(73.5)	(235.8)	(8.6)	(113.7)
Net cash flows from operating activities (a)	**490.4**	**378.0**	**91.9**	**0.3**
Cash flows from investing activities				
Acquisition of non-controlling interest	-	(7.9)	-	-
Acquisition of subsidiary and business units net of cash acquired	(7.2)	(1.7)	-	-
Purchase of financial assets	(0.2)	(52.8)	-	-
Sale or maturity of financial assets	-	36.5	-	3.7
Repayments of loans receivable	4.9	4.9	4.9	4.9
Loans granted	-	(19.3)	-	(19.3)
Purchase of property plant and equipment and intangible assets	(302.9)	(398.0)	(86.1)	(102.0)
Interest received	8.9	8.6	4.5	1.5
Dividends received	-	-	-	40.0
Return of capital invested in subsidiaries	-	-	82.0	-
Net cash flows from / (used in) investing activities (b)	**(296.5)**	**(429.7)**	**5.3**	**(71.2)**
Cash flows from financing activities				
Proceeds of loans granted and issued	1,432.0	2.6	1,432.0	-
Repayment of loans	(1,720.2)	(59.7)	(1,528.4)	(56.0)
Dividends paid to Company's owners	-	(2.0)	-	(2.0)
Dividends paid to non-controlling interests	(43.7)	-	-	-
Net cash flows (used in) financing activities (c)	**(331.9)**	**(59.1)**	**(96.4)**	**(58.0)**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	**(138.0)**	**(110.8)**	**0.8**	**(128.9)**
Cash and cash equivalents at the beginning of the period	**1,004.3**	**868.8**	**189.0**	**224.0**
Net foreign exchange differences	1.1	3.1	-	-
Cash and cash equivalents at the end of the period	**867.4**	**761.1**	**189.8**	**95.1**

ADDITIONAL DATA AND INFORMATION

1) The companies which are included in the interim condensed financial statements (consolidated and separate), their country, the Group's participating interest (direct and indirect) and the method of consolidation, are presented in Notes 1 and 4 of the financial statements.
2) The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries and the results of the tax audits completed, are presented in Note 8 of the financial statements.
3) The outcome of pending litigation and claims is not expected to have a material impact on the financial statements. The amount of provisions that have been established as of June 30, 2011 for litigations and other risks, as well as for unaudited tax years are as follows: a) for the Group € 91.5 million and € 27.9 million respectively and b) for the Company € 90.1 million and € 18.0 million respectively.
4) Number of employees at the end of the period: Group 29,102 (30.06.2010: 31,538), Company 10,826 (30.06.2010: 11,198).
5) Other comprehensive income / (loss) after tax for the first six months of 2011 which was recognized directly in equity for the Group, relates to foreign currency translation € 11.1 million and actuarial gains € 11.3 million (net of deferred taxes). As for the Company, it relates to actuarial gains € 11.3 million (net of deferred taxes).
6) Effective February 6, 2009, the financial statements are included in the consolidated financial statements of DEUTSCHE TELEKOM AG (full consolidation method), which has its registered office in Germany and as of June 30, 2011 holds a 30.00% plus one share interest in the Company. Recent developments are presented in Note 19 of the financial statements.
7) The Company's transactions with its related parties as defined in IAS 24, are analyzed as follows: Sales and purchases of goods and services for the first six months of 2011, amounted to € 76.2 million and € 133.8 million, respectively. Interest expense for the first six months of 2011 amounted to € 51.5 million. The outstanding balance of receivables and payables from/to related parties as of June 30, 2011 that derived from current transactions amounted to € 107.2 million and € 179.4 million, respectively. The outstanding balance of payables to related parties from the loans granted amounted to € 2,195.1 million. Fees paid to the members of the Board of Directors of the Company and the Company's key management personnel compensation charged to the income statement for the first six months of 2011, amount to € 2.3 million. Based on OTE's share option plan, until June 30, 2011, 2,240,102 stock options have been granted to key management personnel. At Group level sales and purchases of goods and services, between related parties which are not eliminated, for the first six months of 2011 amounted to € 9.4 million and € 9.3 million, respectively. Interest expense for the first six months of 2011 which is not eliminated amounted to € 0.9 million. The outstanding balance of receivables and payables, between related parties which are not eliminated, as of June 30, 2011 derived from operating transactions and amounted to € 8.6 million and € 18.4 million, respectively.
8) Basic earnings per share were calculated based on the weighted average number of shares outstanding.
9) The most significant events after June 30, 2011 are presented in Note 19 of the financial statements.

Athens, August 3, 2011

CHAIRMAN AND MANAGING DIRECTOR	BOARD MEMBER AND GROUP CHIEF FINANCIAL OFFICER	OTE CHIEF FINANCIAL OFFICER	CHIEF ACCOUNTING OFFICER
MICHAEL TSAMAZ I.D. Number AB 516212	KEVIN COPP I.D. Number 446059212	GEORGE MAVRAKIS I.D. Number T 004893	KONSTANTINOS VASILOPOULOS I.D.Number Π 529399 License Number 032033