HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

GROUP OF COMPANIES

SIX MONTHS FINANCIAL REPORT

For the period
from January 1, 2020 to June 30, 2020

(TRANSLATED FROM THE GREEK ORIGINAL)

In accordance with Article 5 of Law 3556/2007

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I. STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

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

1. Michael Tsamaz, Chairman and Managing Director
2. Eelco Blok, Vice Chairman of the Board of Directors
3. Charalampos Mazarakis, 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, 2020 to June 30, 2020, 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 Company and of the companies included in the consolidation taken as a whole, in accordance with the provisions of paragraphs 3 to 5 of article 5 of L. 3556/2007.

b. The report of the Board of Directors for the first half of the year provides a true and fair view of the information required according to paragraph 6 of article 5 of L. 3556/2007, i.e. the significant events of the 1st half of 2020 and their impact on the six months financial statements, the development, performance and the financial position of the Company and the companies included in the consolidation taken as a whole, the description of the risks and uncertainties for the 2nd half of the year as well as the material transactions between the Company, its consolidated companies and other related parties.

Maroussi, August 5, 2020

Chairman & Managing Director	Vice Chairman of the BoD	Board Member
Michael Tsamaz	Eelco Blok	Charalampos Mazarakis

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 5, 2020.

II. HALF YEAR REPORT OF THE BOARD OF DIRECTORS

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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 as well as the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and refers to the Interim Condensed Financial Statements (Consolidated and Separate) as of June 30, 2020 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, 2020 to June 30, 2020, the outlook for the second half of 2020, the significant events which took place in the first half of 2020, 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 2020.

This report also refers to Alternative Performance Measures. For details on purpose and calculations refer to Alternative Performance Measures Section (Section G).

The interim OTE’s Financial Statements (separate and consolidated), Auditor’s Report on review of interim financial information and the half year report of the Board of Directors can be found on the following link:
https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_omilou_ote_kai_ae.html.

The amounts in this report are presented in millions of Euro, except when otherwise indicated.

A. FINANCIAL HIGHLIGHTS OF 1ST HALF OF 2020

Key financial figures:

Group Revenues	1st Half 2020	1st Half 2019	Change
Greece	1,399.1	1,416.6	-1.2%
Romania	466.0	447.8	+4.1%
Eliminations	(5.8)	(8.9)	-34.8%
OTE GROUP	**1,859.3**	**1,855.5**	**+0.2%**

Group Adjusted EBITDA After Lease (AL)	1st Half 2020	1st Half 2019	Change
Greece	573.4	572.6	+0.1%
Margin (%)	*41.0%*	*40.4%*	*+0.6pp*
Romania	70.0	54.5	+28.4%
Margin (%)	*15.0%*	*12.2%*	*+2.8pp*
OTE GROUP	**643.4**	**627.1**	**+2.6%**
margin (%	***34.6%***	***33.8%***	***+0.8pp***

** Alternative Performance Measures: For details on purpose and calculations refer to Section G, Alternative Performance Measures Section*

OTE Group’s consolidated revenues totaled to Euro 1,859.3 in the first half of 2020, up by 0.2% compared to the same period of 2019 despite the negative impacts from the pandemic crisis in the second quarter of 2020. On a country basis, Greece total revenues decreased by 1.2% to Euro 1,399.1, as a result of COVID-19 lockdown. Fixed Retail Services revenues posted an increase of 0.2%, driven mainly from broadband due to higher customer base paired with a remarkable take up of fiber services. TV segment was impacted by lack of sports content resulting from COVID-19 restrictions imposed. Mobile Service revenues in Greece were down 3.0% in the first half of 2020 reflecting the significant decline in roaming revenues due to mobility and travel restrictions as well as lower usage due to health crisis. Revenues from wholesale business in Greece were also down by 0.7% mainly due to lower international transit traffic.

In Romania, total revenues reached Euro 466.0 in the first half of 2020, increased by 4.1% compared to the same period of 2019, reflecting the strong performance of Information Communication Technology (ICT) projects, as well as the increased international transit traffic.

Total Operating Expenses for the Group, excluding depreciation, amortization, impairment and charges related to voluntary leave schemes, other restructuring costs and non-recurring litigations amounted to Euro 1,191.3 in the first half of 2020, posting a decrease of 0.1%, compared to the first half of 2019.

In the first half of 2020, the Group's Adjusted EBITDA After Lease (AL) increased by 2.6% to Euro 643.4 as a result of higher revenues, other operating income and cost efficiencies. In Greece, Adjusted EBITDA After Lease (AL) increased by 0.1% reaching Euro 573.4 and the respective margin stood at 41.0% up 60 basis points compared to the first half of 2019. In Romania, Adjusted EBITDA After Lease (AL) totaled to Euro 70.0 increased by 28.4%, mainly on continuing cost efficiencies.

The Group Operating profit before financial and investing activities in the first half of 2020 stood at Euro 295.2, compared to Euro 152.9 in the first half of 2019, posting an increase of 93.1% driven by the improved profitability and the sharp decrease of 29.5% in depreciation and amortization expenses, mainly reflecting goodwill impairment charges in 2019 related to the cash generating unit TELEKOM ROMANIA MOBILE (included in "Depreciation, amortization and impairment" line). In addition, lower depreciation is due to the impairment of fixed assets of TELEKOM ROMANIA and TELEKOM ROMANIA MOBILE recognized in 2019.

Interest and related expenses stood at Euro 41.3, down 17.7%, mainly driven by the decreasing average cost of debt.

The Group's income tax expense stood at Euro 69.5 in the first half of 2020, increased compared to the first half of 2019 by 8.8%.

Adjusted Profit for the year from continuing operations (attributable to owners of the parent) stood at Euro 230.9 in the first half of 2020, compared to Euro 161.4 recorded in the same period of 2019.

In the first half of 2020, Adjusted Free Cash Flow After Lease (AL) stood at Euro 317.7 increased by 52.5% compared to the same period of 2019, reflecting improved profitability, lower Capex as well as lower interests and income taxes paid.

The Group's adjusted Net Debt was Euro 847.7 at June 30, 2020, down 19.0% compared to December 31, 2019. The Group's ratio of adjusted Net Debt to 12-month adjusted EBITDA stood at 0.6x. The Group's Adjusted Net Debt (excluding leases) stood at Euro 453.2 and the ratio of Adjusted Net Debt (excluding leases) to 12-month adjusted EBITDA (AL) was 0.3x.

B.SIGNIFICANT EVENTS OF THE 1st HALF OF 2020

COVID-19

In early 2020, there was a global outbreak of coronavirus (COVID-19) which impacted the global supply and demand, including Greece. The containment measures implemented by the government have gradually been lifted since early of May while a number of policy and fiscal actions that emerged, in European Union and in Greece, intended to mitigate potential negative economic impacts.

Since the outset of this crisis, OTE Group's priority has been to protect its people and ensure the seamless operation of its networks and services. OTE Group took immediate action in order to facilitate the customers, enhance the national health system and support the government's work.

OTE's networks responded flawlessly to an unprecedented surge and relocation of demand with significant increases in the daily data and voice traffic both in fixed and mobile segment, with no impact on quality or speed.

The extent to which the health crisis will weigh on the Group's operations in the forthcoming period will largely depend on future developments and policy responses to the pandemic. Potential reintroduction of mobility restrictions could negatively impact to a greater extend the Group's business performance, reducing revenues from telecommunications services, temporarily affecting its ability to collect receivables, and disrupting its supply chain. In particular, trends in such areas as B2B, mobile services, sales of handsets, and roaming are expected to remain affected. In addition, the pandemic is expected to have a significant impact on global growth, and on Greece's economy, largely dependent on tourism.

The first half of the year has been impacted by the COVID-19 pandemic on some of the revenue lines, particularly in mobile, TV services and handsets revenues. In addition, drastic restrictions on travel are affecting revenue streams both directly, through lower roaming, and indirectly, through its effect on the many businesses dependent on tourism.

Management is closely monitoring the situation and its potential impact on the Group's activities. The Group follows the guidance and decisions of all relevant agencies and adheres to the requirements and actions endorsed by the Greek authorities. In addition, business-continuity and risk-containment strategies are proactively executed in order to mitigate any potential adverse impact of the crisis on the operations and financial conditions.

VOLUNTARY LEAVE SCHEMES

In the first half of 2020, OTE Group implemented Voluntary Leave Schemes; approximately 450 people in Greece left the Group under these programs.

The total cost of the voluntary leave schemes is as follows:

	1st Half 2020
OTE	46.2
COSMOTE Group - Greece	6.7
TELEKOM ROMANIA MOBILE	0.2
TELEKOM ROMANIA	1.5
Costs related to voluntary leave schemes	**54.6**

Amounts paid during 2020, in relation to voluntary leave schemes were Euro 51.8 for the Group and Euro 43.3 for the Company.

DIVIDEND AND SHARE BUYBACK PROGRAM

On June 24, 2020, the Annual General Assembly of OTE's Shareholders approved the distribution of a dividend of Euro 0.55 (in absolute amount) per share outstanding. The corresponding dividend payout, i.e. Euro 258.6, represents 65% of the total amount to be allocated under the Shareholders Remuneration Policy for 2020

In addition, the dividends corresponding to any own shares that were acquired by the Company in the context of the Own Share Buyback Program and were owned by the Company until the ex-dividend date increased the dividend of the other shareholders according to the law.

It is further noted that the remaining amount, i.e. approximately Euro 141.4 or 35% of the total amount to be allocated under the Shareholders Remuneration Policy for 2020, will be used for the buyback of Company shares under the new Share Buyback Program, as approved by the Extraordinary General Shareholders' Meeting of February 20, 2020.

CANCELLATION OF OWN SHARES AND SHARE BUYBACK PROGRAM

During the period from February 25, 2019 through January 27, 2020 the Company purchased 9,764,743 own shares, under the Own Share Buyback Program approved by the General Shareholders' Meeting of February 15, 2018, held for cancellation as partial implementation of the Shareholders Remuneration Policy.

The Extraordinary Shareholders' General Meeting of February 20, 2020, approved the cancellation of a total number of 9,764,743 own shares, of a nominal value of Euro 2.83 (in absolute amount) each, purchased under the 2018-2019 Program and held by the Company as of February 18, 2020, representing 2.035% of its share capital. Consequently, the Shareholders Meeting approved the reduction of Euro 27,634,222.69 (in absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share) of the Company's share capital, together with the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.

On March 23, 2020, following notification to the Corporate Actions Committee of the Athens Stock Exchange and other legal and regulatory procedures, the aforementioned shares were canceled and delisted from the Athens Exchange effective March 27, 2020.

Furthermore, at the Extraordinary General Meeting of Shareholders of February 20, 2020 a new Own Share Buyback Program for a 24-month duration has been approved, under the Shareholders Remuneration Policy approved by the Company's Board of Directors and for the partial implementation thereof (i.e. on top of dividend distribution).

ISSUANCE OF NEW BONDS

On June 19 2020, OTE PLC issued Euro 150 Notes due 10 December 2020 and Euro 200 Notes due 10 June 2021. The coupon was set at 0.960% per annum and 0.977% per annum respectively. The new Notes were issued by OTE PLC and guaranteed by OTE SA under the existing Global Medium Term Note Program. The notes were fully subscribed by DEUTSCHE TELEKOM AG. The proceeds of the new Notes were used for the partial refinancing of the OTE PLC Notes of Euro 627.9 (nominal amount) which matured in July 2020.

SPIN-OFF PROCEDURE

On June 18 2020, the Boards of Directors of OTE and COSMOTE approved the initiation of a spin-off procedure for the business sectors of Customer Service, Shops and Technical Field Operations of the Companies, which will be absorbed by Companies, 100% subsidiaries of OTE Group. The aim of the above decision is to rationalize operational structure, increase flexibility and business specialization of the Company and OTE Group.

COSMOTE

Principal repayment under the Euro 150.0 term loan facility with European Investment Bank (EIB)

On January 23, 2020, COSMOTE paid principal installment of Euro 11.5 under the term loan facility with EIB, along with the accrued interest.

C.OUTLOOK FOR THE 2nd HALF OF 2020

The COVID-19 pandemic is expected to continue negatively impacting OTE Group revenues in Greece and Romania in the second half of the year. In particular, trends in such areas as B2B, mobile services, handsets sales, and roaming are expected to remain affected. The extent to which the health crisis will weigh on the Company's operations in coming quarters will largely depend on future developments and policy responses to the pandemic. Potential reintroduction of mobility restrictions could negatively impact the Company's business performance, reduce revenues from telecommunications services, temporarily affect its ability to collect receivables, and disrupt its supply chain. In addition, the pandemic should have a significant impact on global growth, and on Greece's economy, which is largely dependent on tourism.

Against this uncertain background, the Company intends to continue implementing stringent cost-reduction measures across all areas, to maintain its profitability and cash flow generation in 2020. OTE is set to pursue its journey of digitization and transformation, aiming to become even more agile, efficient and customer focused. Management reiterates its 2020 objectives: adjusted CAPEX of Euro 600.0, adjusted Free Cash Flow of approximately Euro 610.0, and reported Free Cash Flow of Euro 350.0.

Taking into account the postponement of 2019 spectrum payment, 2020 shareholder remuneration should total Euro 400.0, a substantial increase compared to the prior year, despite absorbing record levels of estimated spectrum payments and restructuring charges.

D.RISKS AND UNCERTAINTIES FOR THE 2nd HALF OF 2020

OTE Group has developed and applies an Enterprise Risk Management System, which is certified as per ISO 31000:2018, and supports Management in its strategic decision-making, in order to safeguard its smooth operation and future corporate success. This is achieved by identifying, evaluating, communicating and addressing enterprise risks (sustainability risks included), utilizing all strategic and operational risk mitigation and monitoring measures available in risk management, in order to avoid risks and seize future opportunities.

Periodically, an analysis of material topics (Materiality Assessment) is conducted, in order to identify the most important issues for the sustainable development of the Group. The analysis is based on the unified Enterprise Risk Management methodology on significant strategic, economic, environmental and social aspects which may have influence on (and/or may be influenced by) the decisions of the Group, taking into account the expectations of the Group's stakeholders.

Information regarding the Enterprise Risk Management System is included in Section F. Corporate Governance Statement ("G. Internal Controls and Risk Management Systems of the Company in relation to financial reporting process") into the Annual Financial Report **https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_omilou_ote_kai_ae.html**.

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of June 30, 2020.

Pandemic Crisis; Covid – 19

The Covid-19 pandemic has led to unprecedented global health and economic crisis. In Greece, the virus was first detected in late February, leading to a nation-wide lockdown. The OTE "Pandemic Plan" was activated on March 5, 2020, responding promptly to the national (and international) developments. In early May, a gradual relaxation of the quarantine restrictions began, which escalated in June. The Company operates according to the guidelines and decisions of all relevant agencies, adhering to the requirements and action plan endorsed by the Greek authorities.

The pandemic accelerated OTE's transformation into a digital organization, since changed occurred to the day-to-day operations. Since the beginning of the lockdown, the Company took a series of precautionary measures, including, a large scale remote work scheme (covering 80% of personnel). Moreover, the Company ensured the provision of healthcare supplies and specialized uniforms for technicians, and communication channels for consultation and psychological support at all employees' disposal (for more information, please refer to section "Health and Safety in the workplace" below as well as to the OTE Group Integrated Report 2019 section 1.6 page 25).

Despite the particularly increased daily data traffic in fixed and mobile networks, OTE's networks responded to the higher demand. Moreover, the Company's risk assessments on potential stock shortages of devices/equipment detected no exposure.

The extent to which OTE will be affected by Covid-19 in the upcoming quarters will largely depend on future developments of the pandemic. The return of the employees to the facilities of the Group has been completed since July 1, 2020, following the necessary measures and guidelines. Potential reintroduction of recently relaxed restrictions in Greece could negatively impact the Company's business performance, reducing revenues from telecommunications services, temporarily affecting its ability to collect receivables and disrupting its supply chain.

Financial Risks

The below stated risks are significantly affected by the macroeconomic and financial environment in Greece.

a) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a 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 in respect of the relevant assets.

Financial instruments classified as fair value through profit and loss include mutual funds and other securities. These financial assets are not considered to expose the Group and the Company to a significant credit risk.

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and the diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is however considered to exist for amounts receivable from other telecommunication service providers, due to their relatively small number and the high volume 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 recognizes 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 business group, their credit risk characteristics, aging profile and existence of previous financial difficulties, also adjusted for forward-looking factors specific to the customers and the economic environment.

In this context, potential impacts on the collectability of receivables are evaluated, due to the coronavirus pandemic in the country and worldwide.

Group's cash and cash equivalents are mainly invested in highly rated counterparties and with a very short term tenor.

Loans include loans to employees, which are collected either through the payroll or are netted-off with their retirement indemnities, and loans to pension funds mainly due to prior years' voluntary leave schemes. The latter loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

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 / or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents and other financial assets as at June 30, 2020 amount to Euro 1,534.0 and Euro 936.1 respectively and their short-term borrowings and their short-term portion of long-term borrowings amount to Euro 1,001.6 and Euro 1,048.6, respectively.

For the monitoring of the liquidity risk, the Group prepares cash flows forecasts 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 and the Group's and the Company's policies for managing them are described below:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates. The Group's exposure to the risk of changes in interest rates relates primarily to the Group's long-term borrowings.

ii. Foreign currency risk

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

The Group operates in Greece and Romania 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 and the Ron (Romania).

Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business plans and maximize shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

An important means of managing capital is the use of the gearing ratio (ratio of net debt to equity) which is monitored at Group level. Net debt includes interest bearing loans and notes, as well as long-term and short-term lease liabilities (following IFRS 16 adoption as of January 1, 2019), less cash and cash equivalents.

GROUP	June 30, 2020	December 31, 2019
Long-term borrowings	985.6	996.4
Short-term borrowings	350.0	8.9
Short-term portion of long-term borrowings	651.6	707.5
Lease liabilities (long-term portion)	323.8	334.5
Lease liabilities (short-term portion)	70.7	62.9
Cash and cash equivalents	(1,528.7)	(1,058.3)
Net debt	**853.0**	**1,051.9**
Total equity	2,042.8	2,183.1
Gearing ratio	**0.42x**	**0.48x**

COMPANY	June 30, 2020	December 31, 2019
Long-term borrowings	893.3	892.5
Short-term borrowings	420.8	-
Short-term portion of long-term borrowings	627.8	743.8
Lease liabilities (long-term portion)	208.1	227.9
Lease liabilities (short-term portion)	41.6	42.3
Cash and cash equivalents	(933.6)	(560.6)
Net debt	**1,258.0**	**1,345.9**
Total equity	3,111.6	3,154.6
Gearing ratio	**0.40x**	**0.43x**

d) Other risks

In OTE Group, Risk Assessment is a structured process for the identification, analysis, evaluation and treatment of enterprise risks, in order to ensure better informed decision making by the company's competent bodies regarding their management and mitigation and the monitoring of implementation of relevant measures. Within this framework, operational, strategic, regulatory, financial, legal and compliance risks are being monitored. In addition, the Company is protected, through multinational and local insurance contracts, from operational risks that are insurable.

Additional tax burdens

In the previous years, the Greek State adopted a range of fiscal measures which aimed at increasing public tax revenues which materially affected the Group's and the Company's income statement. According to Law 4646/2019 that was published in December 2019, the corporate income tax rate is reduced to 24% from year 2019 onwards, whereas from January 1, 2020, the withholding tax rate on dividends is also reduced from 10% to 5%. Still, given the fiscal position of the Greek State in recent years, it cannot be excluded that fiscal measures may be taken in the future, which could have a material adverse effect on the Group's and the Company's financial condition.

Potential impairment losses

In conjunction with the conditions in the 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

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.

Regulatory framework

The regulatory obligations and the competitive pressure have an impact on OTE's ability to apply competitive pricing at retail and wholesale level and they may have a negative effect on OTE's ability to compete effectively. According to the legal and the regulatory framework in force, the Hellenic Telecommunications and Post Committee ("HTPC") has designated OTE as having Significant Market Power (SMP) in the relevant wholesale markets and controls its pricing policy. Price control regulatory obligations require OTE to set often higher prices than its competitors for the same services.

Critical infrastructure failure

For all telecom operators, the Information and Communication Technologies (ICT) infrastructure is considered as the backbone of their operations. Given the variety and diversity of contemporary services provided by all telecom operators, the complexity of the ICT infrastructure and the interdependencies between various network nodes and service platforms, are unprecedented. Thus, technical infrastructure outages, due to either external factors (e.g. earthquake, flooding, etc.) or internal factors (e.g. power and air-conditioning outages, human error, etc.) cannot be ruled out. Consequently, service disruptions might appear that could result in potential revenue losses, increased rehabilitation and/or potential customer compensation costs, and consequential effects on customer base and company's reputation.

OTE Group has implemented a robust BCM System certified per ISO 22301:2012. Recovery programs both from IT and Network are already instated, while mitigation measures are further enhanced through the gradual introduction of architectural changes and new technologies in order to promote Network and IT resilience and availability.

Furthermore, power availability at critical sites is constantly monitored and enhanced. Two of the main Network and IT Data Centers were awarded with a Tier III-category certification by the Uptime Institute. Improvement works of Electro-Mechanical infrastructure ("Dual Feed" project) of network critical infrastructure sites took place.

Uninterrupted provision, to DT Group, of Value Added services is safeguarded by critical infrastructure's high availability along with application switch over or diversion to alternative Data Center.

Information security

Digital transformation, increasingly challenging cyber security requirements, high regulatory standards for information and communication systems and various considerations related to cybersecurity that came to light due to the outbreak of Covid-19, are a major priority for telecommunications industry. As OTE Group provides more systematically integrated ICT solutions, including services for large customers and public institutions, more security challenges related to the prevention and management of cyberattacks arise. The increasing volume of data, the need to manage the cyber security risks derived from the Internet of Things (IoT), the 5G networks and from artificial intelligence (AI) are additional challenges in the risk landscape that the telecom companies must deal with.

To ensure a high level of network and information security across the Company, the OTE Group Information Security and Telecommunication Fraud Prevention Division implements a robust information security and data protection framework, establishes the required set of security policies, procedures and practices, adopts a holistic information security risk management framework, designs new security mechanisms, systems and infrastructure, and evaluates their proper implementation and effectiveness (e.g. via periodic system audits). In addition, the OTE Group Security Operations Center collects and analyzes data from corporate systems on a 24/7 basis, in order to timely detect and effectively respond to security incidents (e.g. cyberattacks). Information and communication systems' security and compliance with legal and regulatory requirements, are a key security objective of OTE Group, as well as a competitive advantage for keeping its customers' trust.

Data Protection

The Company collects, stores and uses personal data, in the ordinary course of its operations, and protects them according to the data protection legislation and the Binding Corporate Rules Privacy (BCRP) for the protection of personal rights in the handling of personal data within the Group, which have been adopted by the BoD of the Company. Although technical and organizational measures are implemented to protect personal data, measures may fail and certain personal data may be lost as a result of human error or technological failure or otherwise be used inappropriately. Data breach by the Company or one of its partners or suppliers may result in fines, reputational harm and subscriber churn and could have a material adverse effect on the business and its financial condition.

Data protection is one of OTE Group's top priorities; it's more than just an obligation to meet legal and regulatory requirements, it's also part of the Company's culture. In this context, OTE Group has established a Data Privacy unit, headed by the Data Protection Officer, who is operationally supervised by the Audit Committee.

Technical and organizational measures implemented by the Company include, inter alia, measures to prevent unauthorized persons from accessing data processing systems, measures to ensure the confidentiality of data at rest and in transit (e.g. encryption, pseudonymization), measures to ensure that personal data processed by third parties / contractors are processed only in accordance with the Company's instructions, as well as periodic employee awareness and training activities.

Climate protection

Climate change is a global environmental issue, the impacts of which affect the whole range of economic activities as well as life on the planet. Aiming at climate change mitigation, EU has set as its target the reduction of Greenhouse Gas (GHG) emissions by 20% in 2020, and by more than 40% by 2030, compared to 1990 levels, while reductions ranging from 80% to zero net carbon emissions are currently examined for 2050.

In this context, OTE Group has adopted a specific environmental strategy comprising three areas:

- Minimizing the environmental impact of its activities,
- Developing and providing products and services that enable increased productivity and environmental protection in other sectors of economic activity, and
- Reinforcing its stakeholders' environmental awareness.

In line with its environmental strategy, OTE Group participates in the achievement of DT Group target for a 20% reduction of GHG emissions by 2020 as well as in the revised group-wide Climate Change targets for the post 2020 period, aiming at

- covering 100% of DT Group electricity consumption with electricity generated from renewable energy sources by 2021;
- a 90% reduction of scope 1 and scope 2 GHG emissions and
- a 25% reduction of the most important scope 3 emissions (purchased goods and services, capital goods and product lifecycle) per customer by 2030, compared with 2017 (base year).

It's important to mention that energy consumption is a major source of GHG emissions in OTE Group contributing to climate change (and air pollution), and affects the operational cost of OTE Group, which is also directly related to the regulated charges of the national electricity grid, and may also be influenced by:

- Increases due to the fees / levies / burdens imposed on the electricity generation sector in the context of the EU emissions trading scheme (indirect regulatory risk)
- Stricter environmental regulations with mandatory provisions (e.g. energy audits of activities, heating / cooling systems, etc.).

Low environmental performance could affect the Group's reputation and market share, as surveys indicated that consumers and investors tend to engage with companies that have an effective environmental policy in place.

Taking into consideration all the above, OTE Group inventories annually all direct and indirect emissions (scope #1, #2 and #3) arising from its operation and endeavors to reduce them. In this, OTE Group has initiated a number of actions for the reduction of energy consumption (and corresponding emissions), thus minimizing relevant risks and enabling, in the long term, its adaptation to climate change. These actions, among others, include:

- fixed telecom technology equipment upgrading (All –IP migration)
- free cooling and separate battery cooling power systems
- rectifiers and UPS modernization
- telecommunication equipment rooms merging
- fuel saving measures, with hybrid solutions at off grid sites
- modernization of air conditioning installations in telecom sites, data centers and offices
- mobile telecom network equipment upgrading
- measures to improve energy efficiency in telecommunication equipment and data centers
- energy upgrade of buildings' shell
- energy-efficient design of renovated buildings and installation of new energy-efficient equipment and LED lighting systems
- automation in lighting systems, air conditioning, generators etc. and monitoring of energy consumption
- energy audits to identify measures to improve the performance of the equipment installed
- office space consolidation
- energy management of installations in accordance with the ISO 50001 Standard
- fleet upgrading with new technology vehicles of lower emissions and improved energy efficiency engines

Supply chain

OTE Group considers its supply chain management as the base for its effective operation, its economic growth as well as its reputation maintenance and improvement. This supply chain management takes into consideration the sustainable development principles. Therefore, the Group aims to cooperate with suppliers that are environmentally and socially responsible. However, there are risks that may potentially cause business operational failures, revenue losses, reputational damage as a result of third party/vendor actions (environmental damages, inadequate working conditions, child labor, fraud, etc.).

In order to mitigate these risks arising from suppliers, OTE Group has adopted and implements the following:

- The OTE Group Supplier Code of Conduct, which is uploaded on the corporate website and is accessible by suppliers. The acceptance of the Code is a prerequisite in order for a prospective supplier to enroll at the Suppliers' Portal and also for signing a contract or other agreement (the adherence to the Code is a contractual obligation). Moreover, the supplier must bind its contractors (and/or subcontractors) to the principles of the Supplier Code of Conduct insofar as they are involved in providing deliverables under the contract.
- The OTE Group Code of Human Rights and Social Principles, which is uploaded on the corporate website and in the Supplier Portal, is accessible by the suppliers, customers and the rest of the stakeholders of the Group. OTE Group extends the Code's principles to its suppliers and requires from them to respect and apply them throughout their operations and business relationships.
- An anti-corruption clause which is obligatory to be included both into the General Order Terms and also as a term in contracts with suppliers. As noted in the above mentioned clause, among others, the supplier and supplier's sub-contractors have the obligation to adhere, in the context of the agreement, to the principles and values (Rules) that are outlined in the "**OTE Group Code of Conduct**", in the "**OTE Group Supplier Code of Conduct**" and in the "**OTE Group Code of Human Rights and Social Principles**" (i.e. the adherence to the Rules is a contractual obligation).
- Procedures for reviewing and evaluating suppliers (such as a pre-contractual integrity check and evaluation of prospective suppliers) according to the Compliance criteria. These criteria include anti-bribery or anti-money laundering law infringement in the past, negative publicity regarding the supplier, as well as the inclusion of the supplier to publicly available sanction lists.
- Communication/awareness to our suppliers regarding the OTE Group Principles, the OTE Group Compliance Management System and the related to suppliers' Codes, as well as their contractual obligation to adhere to these principles throughout our business cooperation.
- An annual suppliers' evaluation.

Health risks related to Electromagnetic fields (EMF)

The potential health effects of man-made sources of electromagnetic radiation fields (EMF) have attracted particular attention in recent years. For this reason, international scientific organizations have established safe limits of exposure to non-ionizing (EMF) radiation and a relevant legislative framework has been developed.

Research carried out and evaluated by the World Health Organization does not show any correlation between health and impact of electromagnetic emissions from telecommunication stations operating below the established EMF exposure safety limits. Furthermore according to measurements by independent organizations, the values of EMF attributed to telecommunications base stations, contribute less than 30% of the total electromagnetic background in the residential areas. The electromagnetic field levels in all OTE Group base stations comply with the limits recommended by the World Health Organization and the

International Commission for the Protection of the Non Ionizing Radiation Protection (ICNIRP), as well as with the limits set by law 4635/2019, which are at 60-70% of the ICNIRP limits [establishing the limits, the scientific community has set a safety factor of fifty (50), considering that some population groups may be more vulnerable] at free public access points. In general, OTE Group's policy is based on the default application of the Prevention Principle, which incorporates also the principles of Transparency, Information, Participation and Promotion of Science, for all its products and services.

In 2020, ICNIRP published the new guidelines for protection against exposure to electromagnetic radiation. According to ICNIRP's new international guidelines, after more than 20 years of research, the security of mobile networks is confirmed for everyone, including children, if the recommended exposure limits are met. ICNIRP notes that: "The most important thing for people to remember is that 5G technologies will not be able to cause harm when these new guidelines are adhered to".

Health and Safety in the workplace

A number of work-related factors is considered to be responsible for jeopardizing the Health and Safety of employees, especially the technical staff, (which includes, inter alia, field technicians, electricians, and warehouse personnel). An unsafe working environment, may burden the company with compensation liabilities and other legal costs, while hurting the company's reputation.

According to the inspections of the risk assessments conducted by the Health and Safety business unit, the most significant hazards in the workplace are the ones that the technical staff is exposed to, and caused by the following situations:

1) Improper use of Personal Protective Equipment (P.P.E.), which aims to reduce the severity of an injury.
2) Underground work, which is performed for the purposes of repair or maintenance. An underground construction site, being a confined space with stagnant (dirty) water, which can be a source of infections, puts health and safety at stake, especially when combined with improper use of P.P.E.
3) Work on poles, which can also lead to accidents while working, especially when combined with improper use of P.P.E.
4) Improper use of ladders, which is performed for repair or maintenance purposes.

OTE ensures that the technical staff is always equipped with P.P.E., which is always up to date, certified and audited for its integrity and its date of expiry and renewed according to the standards defined by legislation. Moreover, the Company is conducting trainings and continuous awareness' actions of the technical staff. Technicians participate regularly to seminars, which are continuously enriched (e.g., interactive training).

Apart from the customized actions related to the demanding workload of technicians, all OTE Group employees are covered by private health insurance contracts, compensation programs for health issues, and have occupational physicians at their disposal.

During the Covid-19 pandemic, the Company, through the Health & Safety unit, ensured from the outset the necessary means and protection conditions from the virus, by providing regularly information on individual protection measures for employees. Since the beginning of the pandemic, 80% of personnel worked through remote access, while frontline employees (field technicians/ stores) were immediately equipped with healthcare supplies, special type overalls & goggles, at the required quantities. In addition, frontline employees in technical departments and stores nationwide had their own health & safety consultant through a series of live digital sessions with the team of Occupational Physicians,. At the same time, for all employees, updates were provided, through various communication channels (dedicated phone line for communication with the medical team, e-mail for questions regarding the pandemic and 24/7 telephone line for psychological support) with general as well as special instructions depending on the workpiece of the units and also for the facilities (e.g. in the transition to/from the workplaces, safe movement in the spaces within the facilities, and also in the customer's space). Furthermore, where necessary, disinfection was carried out, in accordance with the appropriate instructions of the state and at the same time maintenance/cleaning of the air conditioning units of all facilities was launched. In the meantime, wellness activities were organized to maintain the good physical condition and well-being of all employees, through specially-made videos at their disposal.

Currently, the return of the employees to the Group facilities has been completed, and the Health & Safety unit continues to take care of the observance of all the necessary rules, measures and guidelines.

Compliance, Corruption, Bribery and Human Rights

Compliance stands for a solid commitment to the principles of integrity, transparency, justice, professionalism, team spirit, and of respect to the rules, principles which are essential to govern the functions of the Company.

Compliance violations (e.g. fraud, corruption, bribery, embezzlement, theft, money laundering, falsification of financial statements (company/separate and consolidated), unfair competition, workplace discrimination, human rights violations and any misconduct which could harm the Company's reputation, or any attempts to conceal the above) which are committed either within the Company or outside the Company involving business partners (e.g. customers, suppliers or distributors) who are doing business with the Company, could have an adverse impact on the Company's financial position and reputation and might lead to fines, sanctions and limitations in business operations. We note that the OTE Group companies take all the required measures in order to ensure that the whistle-blowers who report incidents of misconduct by providing accurate information that is plausible, will be protected from any retaliation resulting in personal, professional or financial damage.

In order to avoid risks of non-compliance with the legislation in force as well as other legal consequences for the Company and its Employees, the Management has adopted and implemented a Compliance Management System (CMS), in the framework of which the Management has also adopted a Whistleblowing Process ("Tell Me") and the relevant communication channels.

Moreover, in the context of the System's implementation, OTE Group Codes and Compliance Policies have been adopted in order to cover important operations and procedures of the Company, including, inter alia, the Code of Conduct, the Code of Human Rights and Social Principles, the Supplier Code of Conduct, the Policy on Avoiding Corruption and other Conflicts of Interest, the Anti-Fraud Policy, the Policy on Accepting and Granting of Benefits, the Donation Policy, the Sponsoring Policy, the Policy on Anti-Trust Law as well as the Policy on Insider Trading.

Critical Enterprise Contracts and Business Resilience

Associated advances and continuous changes in technology make telecommunications services even more critical for small, medium and large businesses (e.g. cloud, mobile, fixed technologies and solutions). This market segment requests from telecom providers a higher level of customer service in order to support these advanced and personalized solutions. Competition is focused mostly on innovative services and it depends heavily on the ability to deliver products and services in a reliable and timely manner.

OTE Group aims to ensure the maintenance and improvement of existing networks and installations, upgrade existing systems and adapt new technologies, in a manner that minimizes business interruption and contributes to business resilience, in order to provide customers with high quality and innovative services. In addition, OTE Group has adopted and implemented proactive and reactive mitigation measures in order to ensure the continuation of operations. A failure to deliver these high-value and complex services on a continuous and uninterrupted basis may lead to revenue reduction and increase of restoration costs (e.g. ICT disruptions, Network and IT infrastructure failures, etc.). Each of these events might have an adverse impact on the level of customer experience and satisfaction as well as on the company's reputation and image.

E.MATERIAL TRANSACTIONS WITH RELATED PARTIES

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

The Group includes all entities which OTE controls, either directly or indirectly. Transactions and balances between companies in the OTE Group are eliminated on consolidation.

DEUTSCHE TELEKOM AG is a 46.91% shareholder of OTE and consolidates OTE using the full consolidation method. Therefore, all companies included in the DEUTSCHE TELEKOM group are also considered related parties.

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

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

	1st Half 2020		1st Half 2019	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE Group - Greece	41.5	63.5	47.4	74.9
COSMOTE TV PRODUCTIONS	-	3.2	-	3.0
COSMO-ONE	-	0.2	-	0.3
OTE SAT-MARITEL	0.2	0.2	0.1	-
OTE PLUS	-	0.6	-	0.7
OTE ESTATE	0.2	3.5	0.1	6.0
OTE GLOBE	5.3	17.7	5.9	19.8
OTE ACADEMY	-	0.5	-	0.9
TELEKOM ROMANIA	-	-	0.4	-
TELEKOM ROMANIA MOBILE	0.1	-	0.1	-
OTE RURAL NORTH	1.0	1.2	0.8	1.0
OTE RURAL SOUTH	1.4	2.0	1.1	2.2
DEUTSCHE TELEKOM group of companies (except for OTE Group)	10.5	2.6	8.3	2.7
TOTAL	**60.2**	**95.2**	**64.2**	**111.5**

The Group's sales and purchases with related parties which are not eliminated in the consolidation are analyzed as follows:

	1st Half 2020		1st Half 2019	
	Group's sales	Group's purchases	Group's sales	Group's purchases
DEUTSCHE TELEKOM group of companies (except for OTE Group)	20.9	19.7	21.5	21.1
TOTAL	**20.9**	**19.7**	**21.5**	**21.1**

OTE's other operating income with its related parties is analyzed as follows:

	Other operating income OTE	
	1st Half 2020	1st Half 2019
COSMOTE Group - Greece	0.1	0.5
OTE ACADEMY	0.1	0.1
TOTAL	**0.2**	**0.6**

The Group's other operating income with its related parties which is not eliminated in the consolidation is analyzed as follows:

	Group's other operating income	
	1st Half 2020	1st Half 2019
DEUTSCHE TELEKOM group of companies (except for OTE Group)	-	0.1
TOTAL	**-**	**0.1**

OTE's financial activities with its related parties, which comprise interest on loans granted and received, as well as other financial transactions are analyzed as follows:

	1st Half 2020		1st Half 2019	
	Finance income OTE	Finance expense OTE	Finance income OTE	Finance expense OTE
OTE PLC	-	21.3	-	22.5
COSMOTE Group – Greece	0.1	0.2	0.1	0.3
TELEKOM ALBANIA	-	-	-	2.0
TELEKOM ROMANIA MOBILE	-	-	2.0	-
OTE RURAL NORTH	0.5	-	0.1	-
OTE RURAL SOUTH	0.2	0.1	0.2	-
OTE ESTATE	-	6.0	-	6.7
TOTAL	**0.8**	**27.6**	**2.4**	**31.5**

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

	Dividend income OTE	
	1st Half 2020	1st Half 2019
OTESAT-MARITEL	0.3	0.6
COSMOTE Group – Greece	150.0	1,050.0
OTE ESTATE	30.7	-
TOTAL	**181.0**	**1,050.6**

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

	30/06/2020		31/12/2019	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
COSMOTE Group - Greece	187.4	161.5	133.0	204.3
TELEKOM ROMANIA MOBILE	0.3	-	0.2	-
COSMOTE TV PRODUCTIONS	-	1.2	-	2.2
COSMO-ONE	-	0.1	0.1	0.2
OTESAT-MARITEL	4.9	-	4.4	0.1
OTE PLUS	-	0.7	-	1.9
OTE ESTATE	32.0	208.3	1.5	222.2
OTE GLOBE	3.5	16.1	4.1	17.4
OTE ACADEMY	0.4	0.3	0.5	0.5
TELEKOM ROMANIA	1.9	-	2.0	0.1
OTE RURAL NORTH	0.4	1.1	0.5	0.9
OTE RURAL SOUTH	0.6	1.7	0.7	1.6
DEUTSCHE TELEKOM group of companies (except for OTE Group)	8.6	126.5	6.5	6.5
TOTAL	**240.0**	**517.5**	**153.5**	**457.9**

Amounts owed by OTE to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 122.5 as of June 30, 2020 (December 31, 2019: Euro nil).

Amounts owed to OTE by COSMOTE Group – Greece, OTE ESTATE and OTESAT-MARITEL include dividend receivable amounting to Euro 150.0, Euro 30.7 and Euro 0.9 as of June 30, 2020, respectively (December 31, 2019: Euro 80.0, Euro nil and Euro 0.6, respectively).

Following the adoption of IFRS 16, amounts owed by OTE to OTE ESTATE, COSMOTE Group – Greece, OTE RURAL NORTH and OTE RURAL SOUTH include liabilities related to leasing obligations.

OTE's lease liabilities to related parties are analyzed as follows:

	Lease liabilities OTE	
	30/06/2020	31/12/2019
OTE ESTATE	207.7	220.4
COSMOTE Group - Greece	8.3	10.7
OTE RURAL NORTH	0.7	0.8
OTE RURAL SOUTH	1.3	1.5
TOTAL	**218.0**	**233.4**

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:

	30/06/2020		31/12/2019	
	Amounts owed to Group	Amounts owed by Group	Amounts owed to Group	Amounts owed by Group
DEUTSCHE TELEKOM group of companies (except for OTE Group)	16.3	634.3	20.5	166.5
TOTAL	**16.3**	**634.3**	**20.5**	**166.5**

Amounts owed by OTE to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 122.5 as of June 30, 2020 (December 31, 2019: Euro nil).

Moreover, amounts owed by Group to DEUTSCHE TELEKOM group include an amount of Euro 100.0 (nominal amount) related to the participation of DEUTSCHE TELEKOM to the Euro 500.0 Notes of OTE PLC (December 31, 2019: Euro 100.0) and an amount of Euro 350.0 related to the full subscription by DEUTSCHE TELEKOM to the Euro 150.0 and Euro 200.0 bond loans issued by OTE PLC on June 19, 2020.

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

	30/06/2020		31/12/2019	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
OTE PLC	-	1,976.4	-	1,654.2
COSMOTE Group - Greece	0.1	-	0.2	-
OTE RURAL NORTH	6.0	-	6.2	-
OTE RURAL SOUTH	8.5	-	8.5	-
TOTAL	**14.6**	**1,976.4**	**14.9**	**1,654.2**

Amounts owed by OTE to OTE PLC relating to loans include interest payable amounting to Euro 34.5 (December 31, 2019: OTE PLC Euro 17.9).

Key Management Personnel and those closely related to them are defined as related parties in accordance with IAS 24 "Related Party Disclosures". Key management compensation comprises salaries and other short term benefits, termination benefits, post-employment benefits and other long term benefits (as defined in IAS 19 "Employee Benefits") and share-based payments (as defined in IFRS 2 "Share-based Payment").

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 2.8 for the first half of 2020 (first half of 2019: Euro 4.7). The change compared to the first half of 2019 is due to different settlement period of variable fees.

F.SIGNIFICANT EVENTS AFTER THE END OF THE 1st HALF OF 2020

The most significant events after June 30, 2020, are as follows:

OTE

Share Buyback Program

Until August 4, 2020, within the framework of the Share Repurchase Program approved by the General Meeting of Shareholders on February 20, 2020, OTE had acquired 5,931,409 own shares for a total value of Euro 69.9.

New Credit Facility

On July 24, 2020, the Company signed a Bond Loan Agreement, in the form of a commited Revolving Credit Facility, with the syndication of National Bank of Greece and Alpha Bank, of Euro 200.0 in total and tenor of 2 years. No drawdown has taken place up to the date of this publication.

COSMOTE PAYMENTS

On July 21, 2020, the Bank of Greece granted an electronic money institution license to COSMOTE PAYMENTS.

OTE PLC

Repayment of Notes under the Global Medium-Term Note Programme of OTE PLC

On July 9, 2020, the Euro 700.0 fixed rate Notes under the Global Medium-Term Note Programme of OTE PLC, with outstanding nominal balance Euro 627.9, were fully repaid at maturity.

COSMOTE

Payment of principal installment under the Euro 150.0 term loan facility with European Investment Bank (EIB)

On July 23, 2020, Cosmote paid principal installment of Euro 11.5 under the term loan facility with EIB.

G.ALTERNATIVE PERFORMANCE MEASURES (APMs)

The Group uses certain Alternative Performance Measures ("APMs") in making financial, operating and planning decisions as well as in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group's underlying operating and financial performance, financial condition and cash flow. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

Definitions and reconciliations of Alternative Performance Measures ("APMs")

Alternative Performance Measures ("APMs")

In discussing the performance of the Group, Alternative Performance Measures ("APMs") are used such as: EBITDA and the respective margin %, Net Debt, CapEx and Free Cash Flow. The definitions and the calculations of these are presented in this section below.

Furthermore "Adjusted" measures are used such as: and the respective margin %, Adjusted Net Debt, Adjusted CapEx, and Adjusted Free Cash Flow. These are calculated by deducting from the performance measures deriving from directly reconcilable amounts of the six months' Financial Statements, the impact of costs or payments related to voluntary leave schemes, costs or payments for restructuring plans and non-recurring litigations and Spectrum acquisitions.

Costs or payments related to Voluntary Leave Schemes

Costs or payments related to Voluntary Leave Schemes comprise the exit incentives provided to employees and the contributions to the social security fund to exit/retire employees before conventional retirement age. These costs are included within the income statement as well as within the cash flow statement lines "costs related to voluntary leave schemes" and "payment for voluntary leave schemes". However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

Costs or payments related to other restructuring plans and non-recurring litigations

Other restructuring costs and non-recurring litigations comprise non-ongoing activity related costs arising from significant changes in the way the Group conducts business and non-recurring legal expenses. These costs are included in the Group's income statement, while the payment of these expenses is included in the cash flow statement. However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group's operating and financial performance achieved from ongoing activity.

Spectrum acquisition payments

Spectrum payments comprise the amounts paid to acquire rights (licenses) through auctions run by the National Regulator to transmit signals over specific bands of the electromagnetic spectrum. As those payments are of significant size and of irregular timing, it is a common industry practice to be excluded for the calculation of the Adjusted Free Cash Flow and Adjusted Capital Expenditure (CapEx) in order to facilitate comparability with industry peers.

Net debt

Net Debt is an APM used by management to evaluate the Group's capital structure and leverage. Net Debt is defined as short-term borrowings plus long-term borrowings plus short-term portion of long-term borrowings less cash and cash equivalents as illustrated in the table below. Following the adoption of IFRS 16 financial liabilities related to leases are included in the calculation of net debt from 2019 onwards.

Adjusted net debt

Adjusted net debt is used by management to evaluate the Group's capital structure and leverage defined as Net Debt including other financial assets as they are highly liquidity assets. The calculations are described in the table below:

OTE Group	30/06/2020	31/12/2019	Change
Long-term borrowings	985.6	996.4	-1.1%
Short-term portion of long-term borrowings	651.6	707.5	-7.9%
Short-term borrowings	350.0	8.9	-
Lease liabilities (long-term portion)	323.8	334.5	-3.2%
Lease liabilities (short-term portion)	70.7	62.9	+12.4%
Cash and cash equivalents	(1,528.7)	(1,058.3)	+44.4%
Net debt	**853.0**	**1,051.9**	**-18.9%**
Other financial assets	(5.3)	(5.7)	-7.0%
Adjusted net debt	**847.7**	**1,046.2**	**-19.0%**

Net debt and adjusted net debt excluding leases

Net Debt and Adjusted Net Debt excluding leases are used by management to evaluate the Group's capital structure and leverage excluding financial liabilities related to leases, for comparability purposes with prior years. They are defined as Net debt and adjusted Net Debt (described above) deducting financial liabilities related to leases as described below:

OTE Group	30/06/2020	31/12/2019	Change
Net Debt	**853.0**	**1,051.9**	**-18.9%**
Lease liabilities (long-term portion)	(323.8)	(334.5)	-3.2%
Lease liabilities (short-term portion)	(70.7)	(62.9)	+12.4%
Net Debt excluding leases	**458.5**	**654.5**	**-29.9%**
Other financial assets	(5.3)	(5.7)	-7.0%
Adjusted Net Debt excluding leases	**453.2**	**648.8**	**-30.1%**

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is intended to provide useful information to analyze the Group's operating performance. EBITDA is defined as total revenues plus other operating income less total operating expenses before depreciation, amortization and impairment, as illustrated in the table below. EBITDA margin (%) is defined as EBITDA divided by total revenues.

Adjusted EBITDA (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations)

Adjusted EBITDA is intended to provide useful information to analyze the Group's operating performance excluding the impact of costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations. Adjusted EBITDA is defined as EBITDA adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA margin (%) is defined as Adjusted EBITDA divided by total revenues.

OTE Group	1st Half 2020	1st Half 2019	+/- %
Total Revenues	1,859.3	1,855.5	+0.2%
Other Operating Income	22.6	17.4	+29.9%
Total operating expenses before depreciation, amortization and impairment	(1,253.4)	(1,247.5)	+0.5%
EBITDA	**628.5**	**625.4**	**+0.5%**
margin %	***33.8%***	***33.7%***	***+0.1pp***
Costs related to voluntary leave schemes	54.6	54.5	+0.2%
Other restructuring and non-recurring litigations	7.5	-	-
Adjusted EBITDA	**690.6**	**679.9**	**+1.6%**
margin %	***37.1%***	***36.6%***	***+0.5pp***

EBITDA After Lease (AL) (Earnings before Interest, Taxes, Depreciation and Amortization after Lease)

EBITDA After Lease (AL) is intended to provide useful information to analyze the Group's operating performance. EBITDA After Lease (AL) is defined as EBITDA deducting the depreciation and interest expense of leases, as illustrated in the table below. EBITDA After Lease (AL) margin (%) is defined as EBITDA After Lease (AL) divided by total revenues.

Adjusted EBITDA After Lease (AL) (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations After Lease)

Adjusted EBITDA After Lease (AL) is intended to provide useful information to analyze the Group's operating performance.
Adjusted EBITDA After Lease (AL) is defined as EBITDA After Lease (AL) adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA After Lease (AL) margin (%) is defined as Adjusted EBITDA After Lease (AL) divided by total revenues.

OTE Group	1st Half 2020	1st Half 2019	+/- %
EBITDA	**628.5**	**625.4**	**+0.5%**
margin %	***33.8%***	***33.7%***	***+0.1pp***
Depreciation for the right-of-use assets	(36.6)	(41.6)	-12.0%
Interest expense on leases	(10.6)	(11.2)	-5.4%
EBITDA After Lease (AL)	**581.3**	**572.6**	**+1.5%**
margin %	***31.3%***	***30.9%***	***+0.4pp***
Costs related to voluntary leave schemes	54.6	54.5	+0.2%
Other restructuring costs and non-recurring litigations	7.5	-	-
Adjusted EBITDA After Lease (AL)	**643.4**	**627.1**	**+2.6%**
margin %	***34.6%***	***33.8%***	***+0.8pp***

GREECE	1st Half 2020	1st Half 2019	+/- %
EBITDA	**555.5**	**555.6**	**-**
margin %	***39.7%***	***39.2%***	***+0.5pp***
Depreciation for the right-of-use assets	(26.2)	(26.2)	-
Interest expense on leases	(8.8)	(9.1)	-3.3%
EBITDA After Lease (AL)	**520.5**	**520.3**	**-**
margin %	***37.2%***	***36.7%***	***+0.5pp***
Costs related to voluntary leave schemes	52.9	52.3	+1.1%
Other restructuring costs and non-recurring litigations	-	-	-
Adjusted EBITDA After Lease (AL)	**573.4**	**572.6**	**+0.1%**
margin %	***41.0%***	***40.4%***	***+0.6pp***

ROMANIA	1st Half 2020	1st Half 2019	+/- %
EBITDA	**73.1**	**69.9**	**+4.6%**
margin %	***15.7%***	***15.6%***	***+0.1pp***
Depreciation for the right-of-use assets	(10.5)	(15.5)	-32.3%
Interest expense on leases	(1.8)	(2.1)	-14.3%
EBITDA After Lease (AL)	**60.8**	**52.3**	**+16.3%**
margin %	***13.0%***	***11.7%***	***+1.3pp***
Costs related to voluntary leave schemes	1.7	2.2	-22.7%
Other restructuring costs and non-recurring litigations	7.5	-	-
Adjusted EBITDA After Lease (AL)	**70.0**	**54.5**	**+28.4%**
margin %	***15.0%***	***12.2%***	***+2.8pp***

Adjusted profit to owners of the parent

Adjusted Profit for the period attributable to owners of the parent is intended to provide useful information to analyze the Group's net profitability excluding the impact of significant non-recurring or irregularly recorded items in order to facilitate comparability with previous ongoing performance. Adjusted Profit for the period (attributable to owners of the parent) is calculated by adding back to the Profit of the period (attributable to owners of the parent) the impact upon it of the following items: costs related to voluntary leave schemes, net impact from impairments and write offs, reassessment of deferred tax, reversal of provision related to assets sales, other restructuring costs, non-recurring litigation expenses, gains from disposal of subsidiaries, effect of changes to tax rate, tax effect from deductible investment losses and intercompany dividends and tax effect from deductible provisions of prior years, as illustrated in the table below:

OTE Group - After Tax impact	1st Half 2020	1st Half 2019	+/- %
Profit to owners of the Parent from continuing operations (reported)	**181.0**	**99.5**	**+81.9%**
Costs related to voluntary leave schemes	41.2	39.0	+5.6%
Other restructuring & non-recurring litigations	8.7	-	-
Net Impact from Impairments & Write offs	-	59.8	-
Tax effect from deductible investment losses/ Intercompany dividends	-	(18.1)	-
Gain from disposal of subsidiary	-	(2.9)	-
Reversal of provision related to Assets Sales	-	(15.9)	-
Adjusted Profit to owners of the parent	**230.9**	**161.4**	**+43.1%**

Capital expenditure (CAPEX) and adjusted capital expenditure

Capital expenditure is defined as payments for purchase of property plant and equipment and intangible assets. The Group uses capital expenditure as an APM to ensure that the cash spending is in line with its overall strategy for the use of cash. Adjusted capital expenditure is calculated by excluding from Capital expenditure, spectrum payments as illustrated in the table below:

OTE Group	1st Half 2020	1st Half 2019	+/- %
Purchase of property plant and equipment and intangible assets - CAPEX	(317.5)	(354.2)	-10.4%
Spectrum Payments	-	-	-
Adjusted CAPEX	**(317.5)**	**(354.2)**	**-10.4%**

Free Cash Flow (FCF)

Free Cash Flow is an APM used by the Group and is defined as cash generated by operating activities (excluding net cash flows from operating activities of discontinued operations), after payments for purchase of property plant and equipment and intangible assets (CAPEX) and adding the interest received. Free Cash Flow is intended to measure the cash generation from the Group's business, based on operating activities, including the efficient use of working capital and taking into account its payments for purchases of property plant and equipment and intangible assets. The Group presents Free Cash Flow because it believes the measure assists users of the financial accounts in understanding the Group's cash generating performance as well as availability for debt repayment, dividend distribution and own reserves.

Free Cash Flow After Lease (AL)

Free Cash Flow After Lease is defined as Free Cash Flow adding the lease repayments.

OTE Group	1st Half 2020	1st Half 2019	+/- %
Net cash flows from operating activities -Total	605.3	543.5	+11.4%
Minus: Net cash flows from operating activities of discontinued operations	-	(5.3)	-
Interest received	1.0	1.1	-9.1%
Purchase of property, plant, equipment & intangible assets	(317.5)	(354.2)	-10.4%
Free Cash Flow	**288.8**	**195.7**	**+47.6%**
Lease repayments	(33.4)	(37.8)	-11.6%
Free Cash Flow After Lease (AL)	**255.4**	**157.9**	**+61.7%**

Adjusted Free Cash Flow

Adjusted Free Cash Flow facilitates comparability of Cash Flow generation with industry peers. Adjusted Free Cash Flow is useful in connection with discussions with the investment analyst community and debt rating agencies. Adjusted Free Cash Flow is calculated by excluding from the Free Cash Flow (defined earlier) the payments related to voluntary leave schemes, other restructuring plans and non-recurring litigation expenses and spectrum.

Adjusted Free Cash Flow After Lease (AL)

Adjusted Free Cash Flow After Lease is defined as Adjusted Free Cash Flow adding the lease repayments.

OTE Group	1st Half 2020	1st Half 2019	+/- %
Free Cash Flow	**288.8**	**195.7**	**+47.6%**
Payment for voluntary leave schemes	51.8	50.0	+3.6%
Payment for restructuring costs and non-recurring litigations	10.5	0.4	-
Spectrum payments	-	-	-
Adjusted FCF	**351.1**	**246.1**	**+42.7%**
Lease repayments	(33.4)	(37.8)	-11.6%
Adjusted FCF After Lease (AL)	**317.7**	**208.3**	**+52.5%**

Maroussi, August 05, 2020

Michael Tsamaz
Chairman and Managing Director

Charalampos Mazarakis
Board Member

III. AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

[Translation from the original text in Greek]

Report on Review of Interim Financial Information

To the Board of directors of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (the "Company"), as of 30 June 2020 and the related condensed company and consolidated statements of profit or loss and other comprehensive income , changes in equity and cash flow statements 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 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, as they have been transposed into Greek Law 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 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.

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Report on other legal and regulatory requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying condensed interim financial information.

Athens, 5 August 2020
The Certified Auditor Accountant

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

Fotis Smirnis
SOEL Reg. No 52861

IV. INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

GROUP OF COMPANIES

INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)
AS OF JUNE 30, 2020

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 32-59, were approved by the Board of Directors on August 5, 2020 and are signed by:

Chairman & Managing Director	Board Member & OTE Group Chief Financial Officer	Executive Director Financial Operations OTE Group	Accounting Director
Michael Tsamaz	Charalampos Mazarakis	George Mavrakis	Anastasios Kapenis

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
REGISTRATION No 001037501000
99 KIFISSIAS AVE–151 24 MAROUSSI ATHENS, GREECE

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INTERIM CONDENSED FINANCIAL STATEMENTS AS OF JUNE 30, 2020 AND FOR THE SIX MONTH PERIOD THEN ENDED

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS AS OF JUNE 30, 2020 AND FOR THE SIX MONTH PERIOD THEN ENDED

INTERIM STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

		GROUP		COMPANY	
(Amounts in millions of Euro)	Notes	30/06/2020	31/12/2019	30/06/2020	31/12/2019
ASSETS					
Non-current assets					
Property, plant and equipment		2,306.0	2,341.3	1,271.5	1,278.9
Right-of-use assets		410.4	418.6	247.0	270.4
Goodwill		376.6	376.6	-	-
Telecommunication licenses		366.0	383.6	2.4	2.8
Other intangible assets		337.5	367.9	181.6	208.9
Investments	4	0.1	0.1	3,323.6	3,319.4
Loans to pension funds		74.1	75.9	74.1	75.9
Deferred tax assets		280.1	280.3	93.0	97.4
Contract costs	12	38.0	42.9	4.8	4.5
Other non-current assets		91.6	91.7	76.5	74.0
Total non-current assets		**4,280.4**	**4,378.9**	**5,274.5**	**5,332.2**
Current assets					
Inventories		50.6	51.3	7.9	8.6
Trade receivables		601.5	592.5	287.7	282.3
Other financial assets		5.3	5.7	2.5	5.8
Contract assets	12	31.7	37.8	0.7	1.4
Other current assets		186.6	229.2	273.6	180.6
Restricted cash		2.2	2.3	-	-
Cash and cash equivalents		1,528.7	1,058.3	933.6	560.6
Total current assets		**2,406.6**	**1,977.1**	**1,506.0**	**1,039.3**
TOTAL ASSETS		**6,687.0**	**6,356.0**	**6,780.5**	**6,371.5**
EQUITY AND LIABILITIES					
Equity attributable to owners of the Parent					
Share capital	5	1,330.6	1,358.2	1,330.6	1,358.2
Share premium	5	476.8	486.6	476.8	486.6
Treasury shares	5	(50.7)	(110.3)	(50.7)	(110.3)
Statutory reserve		415.1	415.1	415.1	415.1
Foreign exchange and other reserves		(190.6)	(187.5)	(21.2)	(22.4)
Changes in non-controlling interests		(3,314.1)	(3,314.1)	-	-
Retained earnings		3,242.7	3,404.0	961.0	1,027.4
Total equity attributable to owners of the Parent		**1,909.8**	**2,052.0**	**3,111.6**	**3,154.6**
Non-controlling interests	4	133.0	131.1	-	-
Total equity		**2,042.8**	**2,183.1**	**3,111.6**	**3,154.6**
Non-current liabilities					
Long-term borrowings	7	985.6	996.4	893.3	892.5
Provision for staff retirement indemnities		175.6	186.7	141.4	152.3
Provision for youth account		114.4	121.4	114.4	121.4
Contract liabilities	12	35.3	38.4	47.3	51.1
Lease liabilities		323.8	334.5	208.1	227.9
Deferred tax liabilities		15.1	16.6	-	-
Other non-current liabilities		39.3	60.5	67.2	92.0
Total non-current liabilities		**1,689.1**	**1,754.5**	**1,471.7**	**1,537.2**
Current liabilities					
Trade accounts payable		820.4	936.0	313.7	425.0
Short-term borrowings	7	350.0	8.9	420.8	-
Short-term portion of long-term borrowings	7	651.6	707.5	627.8	743.8
Income tax payable	9	65.3	16.2	33.6	2.9
Contract liabilities	12	133.6	134.6	74.9	72.1
Lease liabilities		70.7	62.9	41.6	42.3
Provision for voluntary leave schemes		148.3	139.3	148.3	139.3
Dividends payable	6	260.1	1.5	260.0	1.4
Other current liabilities		455.1	411.5	276.5	252.9
Total current liabilities		**2,955.1**	**2,418.4**	**2,197.2**	**1,679.7**
TOTAL EQUITY AND LIABILITIES		**6,687.0**	**6,356.0**	**6,780.5**	**6,371.5**

INTERIM INCOME STATEMENT (CONSOLIDATED)

(Amounts in millions of Euro except per share data)	Notes	1st Half 2020	1st Half 2019
Revenue			
Fixed business:			
Retail services revenues		577.6	581.8
Wholesale services revenues		354.7	340.5
Other revenues		174.5	141.4
Total revenues from fixed business		**1,106.8**	**1,063.7**
Mobile business:			
Service revenues		586.1	608.4
Handset revenues		99.2	111.3
Other revenues		8.7	11.8
Total revenues from mobile business		**694.0**	**731.5**
Miscellaneous other revenues		**58.5**	**60.3**
Total revenues		**1,859.3**	**1,855.5**
Other operating income	10	**22.6**	**17.4**
Operating expenses			
Interconnection and roaming costs		(278.5)	(277.4)
Provision for expected credit losses		(50.9)	(48.9)
Personnel costs		(286.3)	(298.2)
Costs related to voluntary leave schemes	8	(54.6)	(54.5)
Commission costs		(51.3)	(44.1)
Merchandise costs		(163.1)	(156.0)
Maintenance and repairs		(46.1)	(44.0)
Marketing		(34.1)	(37.3)
Other operating expenses, out of which:		(288.5)	(287.1)
Facility and other lease related costs		*(72.7)*	*(68.7)*
Third party fees and services		*(97.5)*	*(87.2)*
Other taxes and regulatory charges		*(42.3)*	*(34.5)*
Construction cost network		*(0.2)*	*(0.3)*
Other sundry operating expenses		*(75.8)*	*(96.4)*
Total operating expenses before depreciation, amortization and impairment		**(1,253.4)**	**(1,247.5)**
Operating profit before financial and investing activities, depreciation, amortization and impairment		**628.5**	**625.4**
Depreciation, amortization and impairment		(333.3)	(472.5)
Operating profit before financial and investing activities		**295.2**	**152.9**
Income and expense from financial and investing activities			
Interest and related expenses		(41.3)	(50.2)
Interest income		1.0	2.3
Foreign exchange differences, net		(0.7)	13.6
Gains / (losses) from investments and other financial assets - Impairment		(0.4)	25.8
Total loss from financial and investing activities		**(41.4)**	**(8.5)**
Profit before tax		**253.8**	**144.4**
Income tax	9	(69.5)	(63.9)
Profit for the period from continuing operations		**184.3**	**80.5**
Profit from discontinued operations		-	5.3
Profit for the period		**184.3**	**85.8**
Attributable to:			
Owners of the parent		181.0	104.8
Non-controlling interests		3.3	(19.0)
Profit for the period		**184.3**	**85.8**
Earnings per share attributable to owners of the parent from continuing operations			
Basic earnings per share	11	0.3861	0.2080
Diluted earnings per share	11	0.3861	0.2080
Total basic earnings per share attributable to owners of the parent	11	0.3861	0.2191

The accompanying notes on pages 39-59 form an integral part of these financial statements.

INTERIM INCOME STATEMENT (SEPARATE)

(Amounts in millions of Euro)	Notes	1st Half 2020	1st Half 2019
Revenue			
Fixed business:			
Retail services revenues		466.1	464.8
Wholesale services revenues		160.8	159.4
Other revenues		111.8	105.1
Total revenues from fixed business		**738.7**	**729.3**
Mobile business:			
Handset revenues		10.4	16.0
Total revenues from mobile business		**10.4**	**16.0**
Miscellaneous other revenues		**31.6**	**36.7**
Total revenues		**780.7**	**782.0**
Other operating income	10	**4.1**	**4.2**
Operating expenses			
Interconnection and roaming costs		(40.8)	(44.5)
Provision for expected credit losses		(15.0)	(15.5)
Personnel costs		(132.1)	(133.2)
Costs related to voluntary leave schemes	8	(46.2)	(49.4)
Commission costs		(11.4)	(10.8)
Merchandise costs		(25.3)	(32.3)
Maintenance and repairs		(17.4)	(16.9)
Marketing		(10.0)	(9.7)
Other operating expenses, out of which:		(151.5)	(153.3)
Facility and other lease related costs		*(25.6)*	*(26.5)*
Third party fees and services		*(82.5)*	*(77.4)*
Other taxes and regulatory charges		*(10.9)*	*(10.6)*
Other sundry operating expenses		*(32.5)*	*(38.8)*
Total operating expenses before depreciation, amortization and impairment		**(449.7)**	**(465.6)**
Operating profit before financial and investing activities, depreciation, amortization and impairment		**335.1**	**320.6**
Depreciation, amortization and impairment		(171.6)	(177.6)
Operating profit before financial and investing activities		**163.5**	**143.0**
Income and expense from financial and investing activities			
Interest and related expenses		(29.2)	(40.4)
Interest income		1.3	3.2
Foreign exchange differences, net		(0.1)	0.6
Dividend income	14	181.0	1,050.6
Gains / (losses) from investments and other financial assets - Impairment		(0.3)	(545.6)
Total profit from financial and investing activities		**152.7**	**468.4**
Profit before tax		**316.2**	**611.4**
Income tax	9	(40.3)	(40.6)
Profit for the period		**275.9**	**570.8**

The accompanying notes on pages 39-59 form an integral part of these financial statements.

INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

	1st Half	
(Amounts in millions of Euro)	2020	2019
Profit for the period	**184.3**	**85.8**
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains / (losses)	1.9	(9.8)
Deferred taxes on actuarial gains / (losses)	(0.4)	2.5
Total items that will not be reclassified subsequently to profit or loss	**1.5**	**(7.3)**
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation	(6.0)	(29.4)
Total items that may be reclassified subsequently to profit or loss	**(6.0)**	**(29.4)**
Reclassification of foreign currency translation reserve related to discontinued operations	-	(22.9)
Other comprehensive loss for the period	**(4.5)**	**(59.6)**
Total comprehensive income for the period	**179.8**	**26.2**
Attributable to:		
Owners of the parent	177.9	48.8
Non-controlling interests	1.9	(22.6)
	179.8	**26.2**
Total comprehensive income attributable to owners of the parent arises from:		
Continuing operations	177.9	46.4
Discontinued operations	-	2.4
	177.9	**48.8**

INTERIM STATEMENT OF COMPREHENSIVE INCOME (SEPARATE)

	1st Half	
(Amounts in millions of Euro)	2020	2019
Profit for the period	**275.9**	**570.8**
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains / (losses)	1.5	(9.7)
Deferred taxes on actuarial gains / (losses)	(0.3)	2.5
Total items that will not be reclassified subsequently to profit or loss	**1.2**	**(7.2)**
Other comprehensive income / (loss) for the period	**1.2**	**(7.2)**
Total comprehensive income for the period	**277.1**	**563.6**

INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

	Attributed to equity holders of the parent									
(Amounts in millions of Euro)	Share capital	Share premium	Treasury shares	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, 2019	**1,387.1**	**496.7**	**(108.5)**	**383.3**	**(122.8)**	**(3,314.1)**	**3,611.5**	**2,333.2**	**241.5**	**2,574.7**
Impact of implementation of IFRS 16	-	-	-	-	-	-	(3.3)	(3.3)	-	(3.3)
Profit / (loss) for the period	-	-	-	-	-	-	104.8	**104.8**	(19.0)	**85.8**
Other comprehensive income / (loss)	-	-	-	-	(56.0)	-	-	**(56.0)**	(3.6)	**(59.6)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**(56.0)**	**-**	**104.8**	**48.8**	**(22.6)**	**26.2**
Cancellation of treasury shares	(28.9)	(10.4)	108.5	-	-	-	(69.2)	-	-	-
Subsidiary's share capital increase	-	-	-	-	-	-	(58.6)	**(58.6)**	58.6	**-**
Net change of participation in subsidiaries	-	-	-	-	-	-	(0.1)	**(0.1)**	(0.6)	**(0.7)**
Dividend distribution	-	-	-	-	-	-	(249.6)	**(249.6)**	(0.4)	**(250.0)**
Acquisition of treasury shares	-	-	(46.6)	-	-	-	-	**(46.6)**	-	**(46.6)**
Share option plans	-	0.3	-	-	-	-	-	**0.3**	-	**0.3**
Balance as at June 30, 2019	**1,358.2**	**486.6**	**(46.6)**	**383.3**	**(178.8)**	**(3,314.1)**	**3,335.5**	**2,024.1**	**276.5**	**2,300.6**
Balance as at January 1, 2020	**1,358.2**	**486.6**	**(110.3)**	**415.1**	**(187.5)**	**(3,314.1)**	**3,404.0**	**2,052.0**	**131.1**	**2,183.1**
Profit / (loss) for the period	-	-	-	-	-	-	181.0	**181.0**	3.3	**184.3**
Other comprehensive income / (loss)	-	-	-	-	(3.1)	-	-	**(3.1)**	(1.4)	**(4.5)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**-**	**(3.1)**	**-**	**181.0**	**177.9**	**1.9**	**179.8**
Cancellation of treasury shares (see Note 5)	(27.6)	(10.0)	121.3	-	-	-	(83.7)	-	-	-
Dividend distribution (see Note 6)	-	-	-	-	-	-	(258.6)	**(258.6)**	-	**(258.6)**
Acquisition of treasury shares (see Note 5)	-	-	(61.7)	-	-	-	-	**(61.7)**	-	**(61.7)**
Share option plans	-	0.2	-	-	-	-	-	**0.2**	-	**0.2**
Balance as at June 30, 2020	**1,330.6**	**476.8**	**(50.7)**	**415.1**	**(190.6)**	**(3,314.1)**	**3,242.7**	**1,909.8**	**133.0**	**2,042.8**

The accompanying notes on pages 39-59 form an integral part of these financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY (SEPARATE)

(Amounts in millions of Euro)	Share capital	Share premium	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Total equity
Balance as at January 1, 2019	**1,387.1**	**496.7**	**(108.5)**	**383.3**	**(13.0)**	**743.3**	**2,888.9**
Impact of implementation of IFRS 16	**-**	**-**	**-**	**-**	**-**	**(0.3)**	**(0.3)**
Profit for the period	-	-	-	-	-	570.8	**570.8**
Other comprehensive income/ (loss)	-	-	-	-	(7.2)	-	**(7.2)**
Total comprehensive income/ (loss)	**-**	**-**	**-**	**-**	**(7.2)**	**570.8**	**563.6**
Cancellation of treasury shares	(28.9)	(10.4)	108.5	-	-	(69.2)	-
Dividend distribution	-	-	-	-	-	(249.6)	**(249.6)**
Acquisition of treasury shares	-	-	(46.6)	-	-	-	**(46.6)**
Share option plans	-	0.3	-	-	-	-	**0.3**
Balance as at June 30, 2019	**1,358.2**	**486.6**	**(46.6)**	**383.3**	**(20.2)**	**995.0**	**3,156.3**
Balance as at January 1, 2020	**1,358.2**	**486.6**	**(110.3)**	**415.1**	**(22.4)**	**1,027.4**	**3,154.6**
Profit for the period	-	-	-	-	-	275.9	**275.9**
Other comprehensive income	-	-	-	-	1.2	-	**1.2**
Total comprehensive income	**-**	**-**	**-**	**-**	**1.2**	**275.9**	**277.1**
Cancellation of treasury shares (see Note 5)	(27.6)	(10.0)	121.3	-	-	(83.7)	-
Dividend distribution (see Note 6)	-	-	-	-	-	(258.6)	**(258.6)**
Acquisition of treasury shares (see Note 5)	-	-	(61.7)	-	-	-	**(61.7)**
Share option plans	-	0.2	-	-	-	-	**0.2**
Balance as at June 30, 2020	**1,330.6**	**476.8**	**(50.7)**	**415.1**	**(21.2)**	**961.0**	**3,111.6**

INTERIM STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	Notes	GROUP 01/01-30/06/2020	GROUP 01/01-30/06/2019	COMPANY 01/01-30/06/2020	COMPANY 01/01-30/06/2019
Cash flows from operating activities					
Profit before tax		253.8	144.4	316.2	611.4
Adjustments for:					
Depreciation, amortization and impairment		333.3	472.5	171.6	177.6
Costs related to voluntary leave schemes	8	54.6	54.5	46.2	49.4
Provision for staff retirement indemnities		2.9	2.7	1.9	1.9
Provision for youth account		0.1	1.3	0.1	1.3
Foreign exchange differences, net		0.7	(13.6)	0.1	(0.6)
Interest income		(1.0)	(2.3)	(1.3)	(3.2)
Dividend income	14	-	-	(181.0)	(1,050.6)
(Gains) / losses from investments and other financial assets - Impairment		0.4	(25.8)	0.3	545.6
Interest and related expenses		41.3	50.2	29.2	40.4
Working capital adjustments:					
Decrease / (increase) in inventories		0.4	10.5	0.7	2.0
Decrease / (increase) in receivables		(13.3)	(6.5)	(12.1)	(13.6)
(Decrease) / increase in liabilities (except borrowings)		5.8	(30.4)	(65.5)	(13.7)
Plus /(Minus):					
Payment for voluntary leave schemes	8	(51.8)	(50.0)	(43.3)	(42.4)
Payment of staff retirement indemnities and youth account, net of employees' contributions		(5.0)	(5.6)	(4.9)	(5.5)
Interest and related expenses paid (except leases)		(5.8)	(10.4)	(4.3)	(10.1)
Interest paid for leases		(10.6)	(11.2)	(7.1)	(7.9)
Income tax paid		(0.5)	(31.5)	(0.4)	(0.5)
Net cash flows from operating activities of discontinued operations		-	(5.3)	-	-
Net cash flows from operating activities		**605.3**	**543.5**	**246.4**	**281.5**
Cash flows from investing activities					
Return of capital invested in subsidiary		-	-	-	120.6
Investment in subsidiaries	4	-	(0.7)	(4.0)	(800.0)
Loans granted to subsidiary		-	-	(6.0)	(270.0)
Repayment of loans granted to subsidiary		-	-	6.2	270.0
Repayment of loans receivable		3.6	3.6	3.6	3.6
Purchase of property, plant and equipment and intangible assets		(317.5)	(354.2)	(177.3)	(184.3)
Proceeds from disposal of subsidiaries / investments		-	31.2	-	-
Interest received		1.0	1.1	1.4	3.2
Dividends received	14	-	-	80.0	1,050.0
Net cash flows from investing activities of discontinued operations		-	(6.6)	-	-
Net cash flows from / (used in) investing activities		**(312.9)**	**(325.6)**	**(96.1)**	**193.1**
Cash flows from financing activities					
Acquisition of treasury shares	5	(60.4)	(46.3)	(60.4)	(46.3)
Proceeds from loans granted and issued	7	361.5	202.9	420.8	200.0
Repayment of loans	7	(88.5)	(302.8)	(116.7)	(379.8)
Lease repayments		(33.4)	(37.8)	(21.0)	(21.3)
Dividends paid to Company's owners		-	(0.1)	-	-
Net cash from financing activities from discontinued operations		-	(1.3)	-	-
Net cash flows from / (used in) financing activities		**179.2**	**(185.4)**	**222.7**	**(247.4)**
Net increase in cash and cash equivalents		**471.6**	**32.5**	**373.0**	**227.2**
Cash and cash equivalents, at the beginning of the period		**1,058.3**	**1,084.7**	**560.6**	**292.9**
Cash and cash equivalents of disposal group classified as held for sale, beginning of period		-	7.5	-	-
Net foreign exchange differences		(1.2)	(1.2)	-	-
Cash and cash equivalents, at the end of the period		**1,528.7**	**1,123.5**	**933.6**	**520.1**

The accompanying notes on pages 39-59 form an integral part of these financial statements.

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 General Commercial Registry (Γ.Ε.ΜΗ.) with the unique number 001037501000. The registered office is located at 99 Kifissias Avenue – 151 24 Maroussi Athens, Greece, and the website is www.cosmote.gr. The Company is listed on the Athens Stock 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 from 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, 2020 holds a 46.91% interest in OTE (see Note 5).

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, 2020 and for the six month period then ended, were approved for issuance by the Board of Directors on August 5, 2020.

The total numbers of Group and Company employees as of June 30, 2020 and 2019 and as of December 31, 2019 were as follows:

	GROUP	COMPANY
June 30, 2020	16,937	7,470
December 31, 2019	17,697	7,870
June 30, 2019	18,565	7,900

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

ENTITY NAME	LINE OF BUSINESS	COUNTRY	GROUP's OWNERSHIP INTEREST	
			30/06/2020	31/12/2019
COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE")	Mobile telecommunications services	Greece	100.00%	100.00%
OTE INTERNATIONAL INVESTMENTS LTD	Investment holding entity	Cyprus	100.00%	100.00%
COSMO-ONE HELLAS MARKET SITE S.A. ("COSMO-ONE")	E-commerce services	Greece	61.74%	61.74%
OTE PLC	Financing services	U.K.	100.00%	100.00%
OTESAT-MARITEL S.A. ("OTESAT-MARITEL")	Satellite telecommunications services	Greece	94.08%	94.08%
OTE PLUS TECHNICAL AND BUSINESS SOLUTIONS S.A.– SECURITY SERVICES ("OTE PLUS")	Consulting and security 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%
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%
TELEKOM ROMANIA COMMUNICATIONS S.A. ("TELEKOM ROMANIA")	Fixed and mobile telecommunications services	Romania	54.01%	54.01%
NEXTGEN COMMUNICATIONS SRL ("NEXTGEN")	Telecommunications services	Romania	54.01%	54.01%

ENTITY NAME	LINE OF BUSINESS	COUNTRY	GROUP's OWNERSHIP INTEREST	
			30/06/2020	31/12/2019
TELEKOM ROMANIA MOBILE COMMUNICATIONS S.A. ("TELEKOM ROMANIA MOBILE")	Mobile telecommunications services	Romania	86.20%	86.20%
GERMANOS S.A. ("GERMANOS")	Retail services	Greece	100.00%	100.00%
COSMOTE E-VALUE S.A. ("COSMOTE E-VALUE")	Marketing services	Greece	100.00%	100.00%
MOBILBEEEP LTD	Retail services	Greece	100.00%	100.00%
COSMOTE TV PRODUCTIONS	TV productions and services	Greece	100.00%	100.00%
E-VALUE DEBTORS AWARENESS ONE PERSON LTD ("E-VALUE LTD")	Overdue accounts management	Greece	100.00%	100.00%
COSMOHOLDING INTERNATIONAL B.V.	Investment holding entity	Netherlands	100.00%	100.00%
E-VALUE INTERNATIONAL S.A.	Marketing services	Romania	100.00%	100.00%
OTE RURAL NORTH SPECIAL PURPOSE DEVELOPMENT AND MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. ("OTE RURAL NORTH")	Wholesale broadband and infrastructure services	Greece	100.00%	100.00%
OTE RURAL SOUTH SPECIAL PURPOSE DEVELOPMENT AND MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. ("OTE RURAL SOUTH ")	Wholesale broadband and infrastructure services	Greece	100.00%	100.00%
COSMOTE PAYMENTS - ELECTRONIC MONEY SERVICES S.A. ("COSMOTE PAYMENTS")	Electronic money services	Greece	100.00%	100.00%
COSMOTE GLOBAL SOLUTIONS S.A.	ICT services	Belgium	100.00%	100.00%

2. BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with International Accounting Standard (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, 2019, which are available on the Company's website https://www.cosmote.gr/fixed/corporate/ir/financial-results/financial-statements-of-ote-group-and-ote-sa.

The interim financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss, which have been measured at fair values in accordance with IFRS.

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, 2019.

In early 2020, there was a global outbreak of coronavirus (COVID-19) which impacted the global supply and demand, including Greece. The extent to which COVID-19 will continue to affect the Company's and the Group's operations will largely depend on future developments which are highly uncertain and cannot be predicted at this point in time. Based on management's current assessment no deviation from the going concern basis is expected.

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, 2019 and which are comprehensively presented in the notes of the annual financial statements, except for the adoption of the following new and amended IFRSs and IFRIC interpretations which became effective for the accounting periods beginning January 1, 2020, noted below.

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 1, 2020.

Standards and Interpretations effective for the current financial year

- **IFRS 3 (Amendments) "Definition of a business":** The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others.

- **IAS 1 and IAS 8 (Amendments) "Definition of material":** These amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRSs.

- **IFRS 9, IAS 39 and IFRS 7 (Amendments) "Interest rate benchmark reform":** These amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

Standards and Interpretations effective for subsequent periods

A number of new standards and amendments to standards and interpretations are effective for subsequent periods and have not been applied in preparing these consolidated and separate financial statements. The Group is currently investigating the impact of the new standards and amendments on its financial statements.

- **IFRS 17 "Insurance contracts" and Amendments to IFRS 17** (effective for annual periods beginning on or after January 1, 2023): IFRS 17 has been issued in May 2017 and, along with the Amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

- **IFRS 16 (Amendment) "Covid-19-Related rent concessions"** (effective for annual periods beginning on or after June 1, 2020): The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications. The amendment has not yet been endorsed by the EU.

- **IFRS 4 (Amendment) "Extension of the temporary exemption from applying IFRS 9"** (effective for annual periods beginning on or after January 1, 2021): The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 'Insurance Contracts' from applying IFRS 9 'Financial Instruments', so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023. The amendment has not yet been endorsed by the EU.

- **IAS 16 (Amendment) "Property, plant and equipment – Proceeds before intended use"** (effective for annual periods beginning on or after January 1, 2022): The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities. The amendment has not yet been endorsed by the EU.

- **IAS 37 (Amendment) "Onerous contracts – Cost of fulfilling a contract"** (effective for annual periods beginning on or after January 1, 2022): The amendment clarifies that "costs to fulfil a contract" comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract. The amendment has not yet been endorsed by the EU.

- IFRS 3 (Amendment) "Reference to the Conceptual Framework" (effective for annual periods beginning on or after January 1, 2022): The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date. The amendment has not yet been endorsed by the EU.

- IAS 1 (Amendment) "Classification of liabilities as current or non-current" (effective for annual periods beginning on or after January 1, 2023): The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the "settlement" of a liability. The amendment has not yet been endorsed by the EU.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after January 1, 2022):

The amendments set out below describe the key changes to certain IFRSs. The amendments have not yet been endorsed by the EU.

- IFRS 9 "Financial instruments": The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

- IFRS 16 "Leases": The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

4. INVESTMENTS

Investments are analyzed as follows:

	GROUP		COMPANY	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019
(a) Investments in subsidiaries	-	-	3,323.5	3,319.3
(b) Other investments	0.1	0.1	0.1	0.1
TOTAL	**0.1**	**0.1**	**3,323.6**	**3,319.4**

(a) Investments in subsidiaries are analyzed as follows:

COMPANY	OTE's direct ownership interest	Country of incorporation	Carrying value	
			30/06/2020	31/12/2019
COSMOTE	100.00%	Greece	2,763.7	2,763.5
COSMOTE PAYMENTS	100.00%	Greece	4.4	0.4
OTE INTERNATIONAL INVESTMENTS LTD	100.00%	Cyprus	149.1	149.1
COSMOTE TV PRODUCTIONS	100.00%	Greece	3.8	3.8
COSMO-ONE	30.87%	Greece	0.5	0.5
OTESAT-MARITEL	94.08%	Greece	4.6	4.6
OTE PLC	100.00%	U.K.	0.1	0.1
OTE PLUS	100.00%	Greece	8.2	8.2
OTE ESTATE	100.00%	Greece	72.6	72.6
OTE GLOBE	100.00%	Greece	102.2	102.2
OTE INSURANCE	100.00%	Greece	0.1	0.1
OTE ACADEMY	100.00%	Greece	0.2	0.2
OTE RURAL NORTH	100.00%	Greece	1.8	1.8
OTE RURAL SOUTH	100.00%	Greece	2.2	2.2
TELEKOM ROMANIA MOBILE	70.00%	Romania	210.0	210.0
TOTAL			**3,323.5**	**3,319.3**

The movement of investments in subsidiaries is as follows:

COMPANY	2020
Carrying value January 1	**3,319.3**
Subsidiaries' share option plans	0.2
Participation in subsidiary (COSMOTE PAYMENTS)	4.0
Carrying value June 30	**3,323.5**

COSMOTE PAYMENTS

In June 2020 the Board of Directors of OTE and the General Assembly of COSMOTE PAYMENTS respectively decided the share capital increase of COSMOTE PAYMENTS for an amount of Euro 4.0 through the issue of 40.000 new common shares with nominal value Euro 100.0 (in absolute amount) per share.

NON-CONTROLLING INTERESTS

Changes in non-controlling interests

The Group's non-controlling interests amount to Euro 133.0 as of June 30, 2020 (December 31, 2019: Euro 131.1), out of which an amount of Euro 84.7 relates to TELEKOM ROMANIA (December 31, 2019: Euro 84.8), representing the 45.99% on TELEKOM ROMANIA's equity, which is owned by the Romanian State and an amount of Euro 47.0 relates to TELEKOM ROMANIA MOBILE (December 31, 2019: Euro 45.1), representing the 13.80% on TELEKOM ROMANIA MOBILE's equity, which is owned indirectly by the Romanian State.

5. SHARE CAPITAL - SHARE PREMIUM - TREASURY SHARES

Within the framework of the Share Repurchase Program approved by the General Meeting of Shareholders on February 15, 2018, 9,764,743 treasury shares were acquired,during the period from February 25, 2019 to January 27, 2020, for the purpose of cancellation.

The Extraordinary General Meeting of Shareholders of February 20, 2020 approved the cancellation of the acquired treasury shares, i.e. 9,764,743 shares, together with the corresponding reduction in the Company's share capital of Euro 27.6 and amendment of the Company's Articles of Incorporation (article 5).

On March 23, 2020, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned shares were cancelled and delisted from the Athens Stock Exchange effective from March 27, 2020.

Following this cancellation, OTE's share capital as of June 30, 2020 amounted to Euro 1,330.6 (December 31, 2019: Euro 1,358.2) divided into 470,174,576 registered shares, with a nominal value of Euro 2.83 (in absolute amount) per share.

As a result of the aforementioned cancellation of treasury shares, a reduction of Euro 10.0 and Euro 83.7 was recognized in share premium and retained earnings, respectively.

The share premium as of June 30, 2020 amounted to Euro 476.8 (December 31, 2019: Euro 486.6).

Furthermore, under the Shareholders Remuneration Policy, approved by the Board of Directors on January 18, 2018 and as part of its implementation, the Extraordinary General Meeting of Shareholders of February 20, 2020 approved a new Share Repurchase Program for a 24-months' duration.

Within the framework of the new Share Repurchase Program, during the period from March 4, 2020 to June 30, 2020 OTE acquired 4,364,471 treasury shares amounting to Euro 50.7.

The following is an analysis of the ownership of OTE's shares as of June 30, 2020:

Shareholder	Number of shares	Percentage %
DEUTSCHE TELEKOM AG	220,567,676	46.91%
Hellenic State	4,901,507	1.04%
EFKA (refers only to the transfer of 4% from the Hellenic State)	19,606,015	4.17%
Free float	220,734,907	46.95%
Treasury shares	4,364,471	0.93%
TOTAL	**470,174,576**	**100.00%**

The movement of the treasury shares is presented in the table below:

	Number of shares	Amount
Treasury shares as at January 1, 2020	**9,029,547**	**110.3**
Treasury shares acquired during the period	5,099,667	61.7
Cancellation of treasury shares	(9,764,743)	(121.3)
Treasury shares as at June 30, 2020	**4,364,471**	**50.7**

6. DIVIDENDS

On June 24, 2020, the General Assembly of OTE's Shareholders approved the distribution of dividend of a total amount of Euro 258.6 or Euro 0.555409 (in absolute amount) per share.

The amount of dividends payable for the Group and the Company as of June 30, 2020 amounted to Euro 260.1 and Euro 260.0, respectively (December 31, 2019: Euro 1.5 and Euro 1.4).

7. LONG-TERM AND SHORT-TERM BORROWINGS

LONG – TERM BORROWINGS

Long-term borrowings are analyzed as follows:

GROUP	30/06/2020	31/12/2019
(a) Bank loans	116.1	128.1
(b) Global Medium-Term Note Programme of OTE PLC	1,521.1	1,575.8
Total long-term debt	**1,637.2**	**1,703.9**
Short-term portion of long-term debt	(651.6)	(707.5)
Long-term borrowings	**985.6**	**996.4**

The analysis of the Group's long-term debt is as follows:

Description	Rate	Maturity	31/12/2019		30/06/2020				
			Outstanding nominal value	Book value	New loans	Repayments/ Prepayments	Amortization of expenses	Outstanding nominal value	Book value
a) Bank loans									
TELEKOM ROMANIA Facility	Robor+1.4%	31/12/2020	1.3	1.2	-	(0.5)	-	0.8	0.7
EIB loan Euro 150.0	2.805%	23/01/2025	126.9	126.9	-	(11.5)	-	115.4	115.4
b) Global Medium-Term Programme of OTE PLC									
Euro 700.0 Notes	3.500%	09/07/2020	684.0	683.2	-	(56.1)	0.7	627.9	627.8
Euro 400.0 Notes	2.375%	18/07/2022	400.0	398.0	-	-	0.4	400.0	398.4
Euro 500.0 Notes	0.875%	24/09/2026	500.0	494.6	-	-	0.3	500.0	494.9
			1,712.2	**1,703.9**	**-**	**(68.1)**	**1.4**	**1,644.1**	**1,637.2**

DEUTSCHE TELEKOM AG participated in the issuance of Euro 500.0, 7-year Notes, taken place in 2019, covering an amount of Euro 100.0 out of the total amount.

In the first half of 2020, OTE PLC bought back and cancelled Euro 56.1 under the Euro 700.0 Notes maturing in July 2020. As a result, as of June 30, 2020 the outstanding nominal amount of the Notes was Euro 627.9.
For the Group, as of June 30, 2020, the short-term portion of long term debt amounts to Euro 651.6 consisting Euro 23.1 (EIB loan), Euro 627.8 (OTE PLC Notes) and Euro 0.7 (TELEKOM ROMANIA facility).

COMPANY	30/06/2020	31/12/2019
Intragroup loans	1,521.1	1,636.3
Total long-term debt	**1,521.1**	**1,636.3**
Short-term portion of long-term borrowings	(627.8)	(743.8)
Long-term borrowings	**893.3**	**892.5**

Company's long-term loans refer to loans granted by OTE PLC.

The analysis of the Company's long-term loans is as follows:

Description	Maturity	31/12/2019		30/06/2020				
		Outstanding nominal value	Book value	New Loans	Repayments/ Prepayments	Amortization of expenses	Outstanding nominal value	Book value
Intragroup loans								
Euro 75.0 loan	27/05/2020	20.0	20.0	-	(20.0)	-	-	-
Euro 70.0 loan	10/06/2020	10.0	10.0	-	(10.0)	-	-	-
Euro 30.6 loan	23/06/2020	30.6	30.6	-	(30.6)	-	-	-
Euro 700.0 loan	09/07/2020	684.0	683.2	-	(56.1)	0.7	627.9	627.8
Euro 400.0 loan	18/07/2022	400.0	398.0	-	-	0.4	400.0	398.4
Euro 500.0 loan	24/09/2026	500.0	494.5	-	-	0.4	500.0	494.9
		1,644.6	**1,636.3**	**-**	**(116.7)**	**1.5**	**1,527.9**	**1,521.1**

For the Company, as of June 30, 2020, the short-term portion of long term borrowings amounts to Euro 627.8 (intragroup loans from OTE PLC).

SHORT –TERM BORROWINGS

GROUP

The Group's outstanding balance of short-term borrowings as of June 30, 2020 amounted to Euro 350.0 (December 31, 2019: Euro 8.9).

The analysis of short- term loans is as follows:

Description	Maturity date	31/12/2019	30/06/2020		
		Book value	New loans	Repayments/ Prepayments	Book value
a) Bank loans					
TELEKOM ROMANIA credit facility	14/03/2020	3.2	-	(3.2)	-
TELEKOM ROMANIA MOBILE credit facility	14/03/2020	5.7	11.5	(17.2)	-
b) Global Medium-Term Programme of OTE PLC					
Euro 150.0 bond	10/12/2020	-	150.0	-	150.0
Euro 200.0 bond	10/06/2021	-	200.0	-	200.0
		8.9	**361.5**	**(20.4)**	**350.0**

The Euro 150.0 Notes and Euro 200.0 Notes were issued on June 19, 2020 by OTE PLC and were fully subscribed by DEUTSCHE TELEKOM AG.

COMPANY

The outstanding balance of short-term borrowings as of June 30, 2020 for the Company amounted to Euro 420.8 (December 31, 2019: Euro nil).

The analysis of short- term loans is as follows:

Description	Maturity date	31/12/2019	30/06/2020		
		Book value	New loans	Repayments/ Prepayments	Book value
Euro 150.0 intragroup loan	10/12/2020	-	150.0	-	150.0
Euro 200.0 intragroup loan	10/06/2021	-	200.0	-	200.0
Euro 70.8 intragroup loan	17/06/2021	-	70.8	-	70.8
		-	**420.8**	-	**420.8**

Company's short-term loans refer to loans granted by OTE PLC.

8. PROVISIONS FOR VOLUNTARY LEAVE SCHEME

OTE Voluntary Leave Scheme

In the first half of 2020, OTE proceeded to the implementation of voluntary leave schemes, the respective cost of which amounted to Euro 46.2.

Other voluntary leave schemes

In the first half of 2020, the operating segments, COSMOTE Group – Greece, TELEKOM ROMANIA and TELEKOM ROMANIA MOBILE, implemented voluntary leave schemes, the total cost of which was Euro 6.7, Euro 1.5 and Euro 0.2, respectively.

The total cost of the above mentioned programs for the first half of 2020, amounted to Euro 54.6 and Euro 46.2 for the Group and the Company, respectively. Amounts paid during the first half of 2020, in relation to voluntary leave schemes were Euro 51.8 for the Group and Euro 43.3 for the Company.

9. INCOME TAXES

According to law 4646/2019, the corporate income tax rate in Greece is reduced to 24% for fiscal year 2019 onwards.

The corporate income tax rate in Romania is 16%.

Unaudited tax years

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

ENTITY	Open Tax Years
OTE	2019
COSMOTE	2019
OTE INTERNATIONAL INVESTMENTS LTD	2013 - 2019
COSMO-ONE	2019
OTE PLC	2016 - 2019
OTESAT-MARITEL	2019
OTE PLUS	2019
OTE ESTATE	2019
OTE GLOBE	2019
OTE INSURANCE	2019
OTE ACADEMY	2019
COSMOTE TV PRODUCTIONS	2019
TELEKOM ROMANIA	2017 - 2019
NEXTGEN	2015 - 2019
TELEKOM ROMANIA MOBILE	2017 - 2019
GERMANOS	2019

ENTITY	Open Tax Years
COSMOTE E-VALUE	2019
MOBILBEEEP LTD	2014 - 2019
E-VALUE LTD	2019
COSMOHOLDING INTERNATIONAL B.V.	2014 - 2019
E-VALUE INTERNATIONAL S.A.	2014 - 2019
OTE RURAL NORTH	2014 - 2017, 2019
OTE RURAL SOUTH	2014 - 2017, 2019
COSMOTE PAYMENTS	2018, 2019
COSMOTE GLOBAL SOLUTIONS S.A.	2018, 2019

- OTE, GERMANOS, OTESAT-MARITEL and OTE GLOBE have received audit notifications for fiscal year 2012, but the relative audits have not been completed. It is noted that for the said year, all these companies have been audited within the framework of the Tax Certificate process as provided by paragraph 5 of article 82 of law 2238/1994 and the relevant Tax Compliance Reports have been issued without reservations by PricewaterhouseCoopers S.A..
- COSMOTE E-VALUE and OTE PLUS have received tax audit notifications for year 2010. The relevant audits have not started. The tax audits for COSMOTE and OTE GLOBE for the fiscal year 2010 have not been completed. COSMO-ONE, OTE INSURANCE, OTE ACADEMY, COSMOTE TV PRODUCTIONS, MOBILBEEEP LTD and E-VALUE LTD, have not been audited by the tax authorities for the fiscal year 2010. Based on the general statute of limitation rules, the fiscal years up to 2013 (inclusive) are considered time-barred.
- GERMANOS TELECOM ROMANIA S.A. and SUNLIGHT ROMANIA S.R.L FILIALA were absorbed in 2017 by TELEKOM ROMANIA MOBILE. Both companies have not been audited for the tax years 2015 - 2017.
- ZAPP was absorbed in 2017 by TELEKOM ROMANIA MOBILE. ZAPP has not been audited for the tax years 2016 – 2017.
- Within 2020, the Greek tax authorities approved - after a partial audit - the refund of COSMOTE and E-VALUE LTD income tax receivables of total Euro 20.3. The refund amounts were offset against other tax liabilities of the entities.
- COSMOTE received a tax audit notification for year 2018. The audit has not been initiated yet.

The Group provides, when considered appropriate, on a company by company basis for possible additional taxes that may be imposed by the tax authorities.

For the Greek companies of the Group that are subject to the Tax Certificate process, the tax audit for the financial year 2019 has been completed by PricewaterhouseCoopers S.A. and the "Tax Compliance Report" will be issued in the last quarter of 2020.

The major components of income tax expense are as follows:

	1st Half	
GROUP	2020	2019
Current income tax	71.3	60.3
Deferred income tax	(1.8)	3.6
Total income tax	**69.5**	**63.9**

	1st Half	
COMPANY	2020	2019
Current income tax	36.2	34.8
Deferred income tax	4.1	5.8
Total income tax	**40.3**	**40.6**

Income tax payable for the Group and the Company as of June 30, 2020 amounted to Euro 65.3 and 33.6, respectively (December 31, 2019: Euro 16.2 and 2.9, respectively).

Income tax receivable for the Group and the Company as of June 30, 2020 amounted to Euro 5.4 and Euro nil, respectively (December 31, 2019: Euro 53.2 and Euro 9.5 respectively) and is recorded under “Other current assets”.

10. OTHER OPERATING INCOME

Other operating income is analyzed as follows:

	1st Half	
GROUP	2020	2019
Gain from disposal of property, plant and equipment	15.8	11.2
Income from contract penalties	1.3	1.3
Income from related parties (Note 14)	-	0.1
Other	5.5	4.8
TOTAL	**22.6**	**17.4**

	1st Half	
COMPANY	2020	2019
Gain from disposal of property, plant and equipment	2.4	2.4
Income from related parties (Note 14)	0.2	0.6
Other	1.5	1.2
TOTAL	**4.1**	**4.2**

11. EARNINGS PER SHARE

Earnings / (losses) per share (after income taxes) are calculated by dividing the profit / (loss) attributable to the owners of the Company by the weighted average number of shares outstanding during the period including, for the diluted earnings per share, the number of any possible 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:

	1st Half	
GROUP	2020	2019
Profit attributable to owners of the parent	**181.0**	**104.8**
Profit for the period from continuing operations (attributable to owners of the parent)	181.0	99.5
Profit for the period from discontinued operations (attributable to owners of the parent)	-	5.3
Weighted average number of shares for basic earnings per share	468,768,679	478,359,438
Weighted average number of shares adjusted for the effect of dilutions	468,768,679	478,359,438
Basic earnings per share	**0.3861**	**0.2191**
From continuing operations	0.3861	0.2080
From discontinued operations	-	0.0111
Diluted earnings per share	**0.3861**	**0.2191**
From continuing operations	0.3861	0.2080
From discontinued operations	-	0.0111

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

12. CONTRACT BALANCES

The following table provides information about contract assets and contract liabilities from contract with customers:

	GROUP		COMPANY	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019
Contract costs (short-term portion)	25.6	26.4	3.0	2.7
Contract costs (long-term portion)	12.4	16.5	1.8	1.8
Total contract costs	**38.0**	**42.9**	**4.8**	**4.5**
Contract assets (short-term portion)	19.3	24.1	0.7	1.4
Contract assets (long-term portion)	12.4	13.7	-	-
Total contract assets	**31.7**	**37.8**	**0.7**	**1.4**
Total assets	**69.7**	**80.7**	**5.5**	**5.9**
Contract liabilities (short-term portion)	133.6	134.6	74.9	72.1
Contract liabilities (long-term portion)	35.3	38.4	47.3	51.1
Total liabilities	**168.9**	**173.0**	**122.2**	**123.2**

13. 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 and business activities.

Using quantitative thresholds OTE, COSMOTE Group – Greece, TELEKOM ROMANIA and TELEKOM ROMANIA MOBILE have been determined to be reportable segments. Information about operating segments that do not constitute reportable segments has been combined and disclosed in an "Other" category. This category comprises all the other operations of the Group, the most material of which relate to the Group's real estate subsidiary, OTE ESTATE, the Group's international carrier, OTE GLOBE and the Group's financing subsidiary, OTE PLC. The types of services provided by the reportable segments are as follows:

- OTE is a provider of fixed-line services, internet access services, ICT services and TV services in Greece.
- COSMOTE Group is a provider of mobile telecommunications services in Greece.
- TELEKOM ROMANIA is a provider of fixed-line and mobile telecommunications services, internet access services, ICT services and TV services in Romania.
- TELEKOM ROMANIA MOBILE is a provider of mobile telecommunications services in Romania.

Accounting policies of the operating segments are the same as those followed for the preparation of the financial statements. Intersegment revenues are generally reported at values that approximate third-party selling prices. Management evaluates segment performance based on operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations; operating profit / (loss) before financial and investing activities and profit / (loss) for the period.

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

Six month period ended June 30, 2020	OTE	COSMOTE Group Greece	TELEKOM ROMANIA	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Retail services revenues (fixed business)	464.8	0.9	111.9	-	-	577.6	-	577.6
Service revenues (mobile business)	-	440.0	25.9	120.2	-	586.1	-	586.1
Revenue from the sale of goods and merchandise	11.6	58.9	12.8	46.5	1.2	131.0	-	131.0
Revenues from the use of assets	86.5	-	1.9	1.3	1.4	91.1	-	91.1
Other revenues	168.1	4.7	138.2	6.7	155.8	473.5	-	473.5
External revenue	**731.0**	**504.5**	**290.7**	**174.7**	**158.4**	**1,859.3**	**-**	**1,859.3**
Intersegment revenue	49.7	66.3	11.9	46.5	59.2	233.6	(233.6)	-
Total revenues	**780.7**	**570.8**	**302.6**	**221.2**	**217.6**	**2,092.9**	**(233.6)**	**1,859.3**
Operating profit before financial and investing activities, depreciation, amortization and impairment	335.1	224.5	24.6	48.5	29.1	661.8	(33.3)	628.5
Costs related to voluntary leave schemes	(46.2)	(6.7)	(1.5)	(0.2)	-	(54.6)	-	(54.6)
Other restructuring costs and non-recurring litigations	-	-	(7.5)	-	-	(7.5)	-	(7.5)
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	381.3	231.2	33.6	48.7	29.1	723.9	(33.3)	690.6
Depreciation, amortization and impairment	(171.6)	(127.7)	(14.5)	(29.7)	(17.5)	(361.0)	27.7	(333.3)
Operating profit / (loss) before financial and investing activities	163.5	96.8	10.1	18.8	11.6	300.8	(5.6)	295.2
Dividend income	181.0	-	-	-	-	181.0	(181.0)	-
Interest income	1.3	0.3	0.2	0.2	21.3	23.3	(22.3)	1.0
Interest and related expenses	(29.2)	(11.8)	(8.2)	(1.1)	(22.3)	(72.6)	31.3	(41.3)
Income tax	(40.3)	(25.4)	-	-	(3.0)	(68.7)	(0.8)	(69.5)
Profit / (loss) for the period from continuing operations	275.9	59.7	1.9	17.5	7.7	362.7	(178.4)	184.3
Purchase of property plant and equipment and intangible assets	177.3	75.3	34.9	25.7	4.3	317.5	-	317.5

Six month period ended June 30, 2019	OTE	COSMOTE Group Greece	TELEKOM ROMANIA	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Retail services revenues (fixed business)	464.2	0.5	117.1	-	-	581.8	-	581.8
Service revenues (mobile business)	-	453.6	23.5	131.3	-	608.4	-	608.4
Revenue from the sale of goods and merchandise	17.1	58.7	11.7	32.0	1.6	121.1	-	121.1
Revenues from the use of assets	87.3	-	4.2	1.2	1.5	94.2	-	94.2
Other revenues	157.5	3.6	116.6	9.5	162.8	450.0	-	450.0
External revenue	**726.1**	**516.4**	**273.1**	**174.0**	**165.9**	**1,855.5**	**-**	**1,855.5**
Revenues from discontinued operations	-	1.5	-	-	0.3	1.8	(1.8)	-
Intersegment revenue	55.9	75.3	13.6	36.6	64.6	246.0	(246.0)	-
Total revenues	**782.0**	**593.2**	**286.7**	**210.6**	**230.8**	**2,103.3**	**(247.8)**	**1,855.5**
Operating profit before financial and investing activities, depreciation, amortization and impairment	320.6	236.8	39.1	30.8	29.5	656.8	(31.4)	625.4
Costs related to voluntary leave schemes	(49.4)	(2.9)	(2.0)	(0.2)	-	(54.5)	-	(54.5)
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	370.0	239.7	41.1	31.0	29.5	711.3	(31.4)	679.9
Depreciation, amortization and impairment	(177.6)	(131.7)	(58.5)	(114.1)	(17.0)	(498.9)	26.4	(472.5)
Operating profit / (loss) before financial and investing activities	143.0	105.1	(19.4)	(83.3)	12.5	157.9	(5.0)	152.9
Dividend income	1,050.6	403.6	-	-	-	1,454.2	(1,454.2)	-
Interest income	3.2	14.0	1.3	0.1	28.0	46.6	(44.3)	2.3
Interest and related expenses	(38.4)	(19.6)	(1.4)	(16.8)	(28.4)	(104.6)	54.4	(50.2)
Interest expenses from discontinued operations	(2.0)	(0.6)	-	-	-	(2.6)	2.6	-
Income tax	(40.6)	(18.6)	-	0.2	(4.9)	(63.9)	-	(63.9)
Profit / (loss) for the period from continuing operations	570.8	513.2	(20.1)	(86.5)	7.5	984.9	(904.4)	80.5
Purchase of property plant and equipment and intangible assets	184.3	77.6	56.7	32.8	2.8	354.2	-	354.2

30/06/2020	OTE	COSMOTE Group Greece	TELEKOM ROMANIA	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Segment assets	3,456.9	2,436.4	516.2	562.7	2,567.5	9,539.7	(2,852.7)	6,687.0
Segment liabilities	3,668.9	1,107.7	332.2	222.2	2,165.9	7,496.9	(2,852.7)	4,644.2

31/12/2019	OTE	COSMOTE Group – Greece	TELEKOM ROMANIA	TELEKOM ROMANIA MOBILE	OTHER	TOTAL	Elim.	GROUP
Segment assets	3,052.1	2,517.0	507.8	589.7	2,213.6	8,880.2	(2,524.2)	6,356.0
Segment liabilities	3,216.9	1,100.2	323.5	263.1	1,793.4	6,697.1	(2,524.2)	4,172.9

GEOGRAPHIC INFORMATION

Geographic information for the Group's revenues and operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations is as follows:

Six month period ended June 30, 2020	Greece	Romania	Elim.	TOTAL
Total revenues	1,399.1	466.0	(5.8)	1,859.3
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	608.4	82.3	(0.1)	690.6

Six month period ended June 30, 2019	Greece	Romania	Elim.	TOTAL
Total revenues	1,416.6	447.8	(8.9)	1,855.5
Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations	607.9	72.1	(0.1)	679.9

14. RELATED PARTY DISCLOSURES

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

The Group includes all entities which OTE controls, either directly or indirectly (see Note 1). Transactions and balances between companies in the OTE Group are eliminated on consolidation.

DEUTSCHE TELEKOM AG is a 46.91% shareholder of OTE and consolidates OTE using the full consolidation method. Therefore, all companies included in the DEUTSCHE TELEKOM group are also considered related parties.

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

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

	1st Half 2020		1st Half 2019	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE Group - Greece	41.5	63.5	47.4	74.9
COSMOTE TV PRODUCTIONS	-	3.2	-	3.0
COSMO-ONE	-	0.2	-	0.3
OTE SAT-MARITEL	0.2	0.2	0.1	-
OTE PLUS	-	0.6	-	0.7
OTE ESTATE	0.2	3.5	0.1	6.0
OTE GLOBE	5.3	17.7	5.9	19.8
OTE ACADEMY	-	0.5	-	0.9
TELEKOM ROMANIA	-	-	0.4	-
TELEKOM ROMANIA MOBILE	0.1	-	0.1	-
OTE RURAL NORTH	1.0	1.2	0.8	1.0
OTE RURAL SOUTH	1.4	2.0	1.1	2.2
DEUTSCHE TELEKOM group of companies (except for OTE Group)	10.5	2.6	8.3	2.7
TOTAL	**60.2**	**95.2**	**64.2**	**111.5**

The Group's sales and purchases with related parties which are not eliminated in the consolidation are analyzed as follows:

	1st Half 2020		1st Half 2019	
	Group's sales	Group's purchases	Group's sales	Group's purchases
DEUTSCHE TELEKOM group of companies (except for OTE Group)	20.9	19.7	21.5	21.1
TOTAL	**20.9**	**19.7**	**21.5**	**21.1**

OTE's other operating income with its related parties is analyzed as follows:

	Other operating income OTE	
	1st Half 2020	1st Half 2019
COSMOTE Group - Greece	0.1	0.5
OTE ACADEMY	0.1	0.1
TOTAL	**0.2**	**0.6**

The Group's other operating income with its related parties which is not eliminated in the consolidation is analyzed as follows:

	Group's other operating income	
	1st Half 2020	1st Half 2019
DEUTSCHE TELEKOM group of companies (except for OTE Group)	-	0.1
TOTAL	**-**	**0.1**

OTE's financial activities with its related parties, which comprise interest on loans granted and received, as well as other financial transactions are analyzed as follows:

	1st Half 2020		1st Half 2019	
	Finance income OTE	Finance expense OTE	Finance income OTE	Finance expense OTE
OTE PLC	-	21.3	-	22.5
COSMOTE Group – Greece	0.1	0.2	0.1	0.3
TELEKOM ALBANIA	-	-	-	2.0
TELEKOM ROMANIA MOBILE	-	-	2.0	-
OTE RURAL NORTH	0.5	-	0.1	-
OTE RURAL SOUTH	0.2	0.1	0.2	-
OTE ESTATE	-	6.0	-	6.7
TOTAL	**0.8**	**27.6**	**2.4**	**31.5**

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

	Dividend income OTE	
	1st Half 2020	1st Half 2019
OTESAT-MARITEL	0.3	0.6
COSMOTE Group – Greece	150.0	1,050.0
OTE ESTATE	30.7	-
TOTAL	**181.0**	**1,050.6**

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

	30/06/2020		31/12/2019	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
COSMOTE Group - Greece	187.4	161.5	133.0	204.3
TELEKOM ROMANIA MOBILE	0.3	-	0.2	-
COSMOTE TV PRODUCTIONS	-	1.2	-	2.2
COSMO-ONE	-	0.1	0.1	0.2
OTESAT-MARITEL	4.9	-	4.4	0.1
OTE PLUS	-	0.7	-	1.9
OTE ESTATE	32.0	208.3	1.5	222.2
OTE GLOBE	3.5	16.1	4.1	17.4
OTE ACADEMY	0.4	0.3	0.5	0.5
TELEKOM ROMANIA	1.9	-	2.0	0.1
OTE RURAL NORTH	0.4	1.1	0.5	0.9
OTE RURAL SOUTH	0.6	1.7	0.7	1.6
DEUTSCHE TELEKOM group of companies (except for OTE Group)	8.6	126.5	6.5	6.5
TOTAL	**240.0**	**517.5**	**153.5**	**457.9**

Amounts owed by OTE to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 122.5 as of June 30, 2020 (December 31, 2019: Euro nil).

Amounts owed to OTE by COSMOTE Group – Greece, OTE ESTATE and OTESAT-MARITEL include dividend receivable amounting to Euro 150.0, Euro 30.7 and Euro 0.9 as of June 30, 2020, respectively (December 31, 2019: Euro 80.0, Euro nil and Euro 0.6, respectively).

Following the adoption of IFRS 16, amounts owed by OTE to OTE ESTATE, COSMOTE Group – Greece, OTE RURAL NORTH and OTE RURAL SOUTH include liabilities related to leasing obligations.

OTE's lease liabilities to related parties are analyzed as follows:

	Lease liabilities OTE	
	30/06/2020	31/12/2019
OTE ESTATE	207.7	220.4
COSMOTE Group - Greece	8.3	10.7
OTE RURAL NORTH	0.7	0.8
OTE RURAL SOUTH	1.3	1.5
TOTAL	**218.0**	**233.4**

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:

	30/06/2020		31/12/2019	
	Amounts owed to Group	Amounts owed by Group	Amounts owed to Group	Amounts owed by Group
DEUTSCHE TELEKOM group of companies (except for OTE Group)	16.3	634.3	20.5	166.5
TOTAL	**16.3**	**634.3**	**20.5**	**166.5**

Amounts owed by OTE to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 122.5 as of June 30, 2020 (December 31, 2019: Euro nil).

Moreover, amounts owed by Group to DEUTSCHE TELEKOM group include an amount of Euro 100.0 (nominal amount) related to the participation of DEUTSCHE TELEKOM to the Euro 500.0 Notes of OTE PLC (December 31, 2019: Euro 100.0) and an amount of Euro 350.0 related to the full subscription by DEUTSCHE TELEKOM to the Euro 150.0 and Euro 200.0 bond loans issued by OTE PLC on June 19, 2020.

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

	30/06/2020		31/12/2019	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
OTE PLC	-	1,976.4	-	1,654.2
COSMOTE Group - Greece	0.1	-	0.2	-
OTE RURAL NORTH	6.0	-	6.2	-
OTE RURAL SOUTH	8.5	-	8.5	-
TOTAL	**14.6**	**1,976.4**	**14.9**	**1,654.2**

Amounts owed by OTE to OTE PLC relating to loans include interest payable amounting to Euro 34.5 (December 31, 2019: OTE PLC Euro 17.9).

Key Management Personnel and those closely related to them are defined as related parties in accordance with IAS 24 "Related Party Disclosures". Key management compensation comprises salaries and other short term benefits, termination benefits, post-employment benefits and other long term benefits (as defined in IAS 19 "Employee Benefits") and share-based payments (as defined in IFRS 2 "Share-based Payment").

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 2.8 for the first half of 2020 (first half of 2019: Euro 4.7). The change compared to the first half of 2019 is due to different settlement period of variable fees.

15. LITIGATION AND CLAIMS

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

There are no significant developments with respect to the litigations and claims referred to the financial statements as of December 31, 2019, except for the following:

TELEKOM ROMANIA

TELEKOM ROMANIA was subject to a tax inspection in relation to local taxes (land and buildings tax, vehicle tax, publicity tax), covering the years 2010 to 2016. The tax authorities concluded that TELEKOM ROMANIA owes additional taxes in this respect. After preliminary Court rulings in favour of TELEKOM ROMANIA, at the final hearing in March 2020, the Court decided in favour of the tax authorities. As a result, an amount of Euro 7.5 concerning tax penalties and an amount of Euro 9.2 concerning interest penalties were recognized in the consolidated income statement and are included in the lines "Other taxes and regulatory charges" and "Interest and related expenses", respectively. The amount related to tax penalties was paid in May 2020 while interest penalties will be paid via a 24 monthly installments repayment schedule.

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Fair value and fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

During the reporting period there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement.

The following tables compare the carrying amount of the Group's and the Company's financial instruments that are carried at amortized cost to their fair value:

GROUP	Carrying Amount 30/06/2020	Carrying Amount 31/12/2019	Fair value 30/06/2020	Fair value 31/12/2019
Financial Assets				
Trade receivables	601.5	592.5	601.5	592.5
Loans to pension funds	81.1	82.9	118.7	117.7
Loans and advances to employees	52.5	54.2	52.5	54.2
Guarantees	6.6	6.4	6.6	6.4
Guaranteed receipt from Grantor (Financial asset model)	10.9	12.2	10.9	12.2
Restricted cash	2.2	2.3	2.2	2.3
Cash and cash equivalents	1,528.7	1,058.3	1,528.7	1,058.3
Financial Liabilities				
Long-term borrowings	985.6	996.4	1,000.9	1,031.0
Short-term borrowings	350.0	8.9	350.6	8.9
Short-term portion of long-term borrowings	651.6	707.5	653.6	722.2
Lease liabilities	394.5	397.4	394.5	397.4
Trade accounts payable	820.4	936.0	820.4	936.0
Interest payable	44.3	18.6	44.3	18.6
Liability for TV broadcasting rights (long-term)	6.9	29.8	6.9	29.8

COMPANY	Carrying Amount 30/06/2020	Carrying Amount 31/12/2019	Fair value 30/06/2020	Fair value 31/12/2019
Financial Assets				
Trade receivables	287.7	282.3	287.7	282.3
Loans to pension funds	81.1	82.9	118.7	117.7
Loans and advances to employees	50.2	52.2	50.2	52.2
Guarantees	0.5	0.5	0.5	0.5
Other receivables from related parties	188.8	88.4	188.8	88.4
Loans to group companies	14.5	14.7	16.3	17.3
Cash and cash equivalents	933.6	560.6	933.6	560.6
Financial Liabilities				
Long-term borrowings	893.3	892.5	906.1	927.9
Short-term borrowings	420.8	-	421.6	-
Short-term portion of long-term borrowings	627.8	743.8	629.1	759.1
Lease liabilities	249.7	270.2	249.7	270.2
Trade accounts payable	313.7	425.0	313.7	425.0
Interest payable	34.5	17.9	34.5	17.9
Liability for TV broadcasting rights (long-term)	6.4	29.3	6.4	29.3

The fair values of loans to pension funds, loans to group companies, long-term borrowings, short-term borrowings and short-term portion of long-term borrowings are based on either quoted (unadjusted) prices or on cash flows discounted using either direct or indirect observable inputs. The fair value of the remaining financial assets and financial liabilities approximate their carrying amounts.

As at June 30, 2020, the Group and the Company held the following financial instruments measured at fair value:

GROUP	Fair value 30/06/2020	Fair value 31/12/2019	Fair value hierarchy
Financial Assets			
Investments in mutual funds	4.2	4.7	Level 1
Investments in mutual funds	1.1	1.0	Level 3

COMPANY	Fair value 30/06/2020	Fair value 31/12/2019	Fair value hierarchy
Financial Assets			
Investment in mutual funds	2.5	2.8	Level 1

FINANCIAL RISK MANAGEMENT

Macroeconomic conditions in Greece

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of June 30, 2020.

Risk from the coronavirus (COVID-19) outbreak

In early 2020, there was a global outbreak of coronavirus (COVID-19) which impacted the global supply and demand, including Greece. The containment measures implemented by the government have gradually been lifted since early of May while a number of policy and fiscal actions that emerged, in European Union and in Greece, intended to mitigate potential negative economic impacts.

The extent to which the health crisis will weigh on the Group's operations in the forthcoming period will largely depend on future developments and policy responses to the pandemic. Potential reintroduction of mobility restrictions could negatively impact the Group's business performance, reducing revenues from telecommunications services, temporarily affecting its ability to collect receivables, and disrupting its supply chain. In particular, trends in such areas as B2B, mobile services, handset sales, and roaming are expected to to remain affected. In addition, the pandemic is expected to have a significant impact on global growth, and on Greece's economy, largely dependent on tourism.

The first half of the year has been impacted by the COVID-19 pandemic on some of the revenue lines, particularly in mobile, TV services and handsets revenues. In addition, drastic restrictions on travel are affecting revenue streams both directly, through lower roaming, and indirectly, through its effect on the many businesses dependent on tourism.

Management is closely monitoring the situation and its potential impact on the Group's activities. The Group follows the guidance and decisions of all relevant agencies and adheres to the requirements and actions endorsed by the Greek authorities. In addition, business-continuity and risk-containment strategies are proactively executed in order to mitigate any potential adverse impact of the crisis on the operations and financial conditions.

Financial Risks

The below stated risks are significantly affected by the macroeconomic and financial environment in Greece.

a) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a 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 in respect of the relevant assets.

Financial instruments classified as fair value through profit and loss include mutual funds and other securities. These financial assets are not considered to expose the Group and the Company to a significant credit risk.

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and the diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is however considered to exist for amounts receivable from other telecommunication service providers, due to their relatively small number and the high volume 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 recognizes 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 business group, their credit risk characteristics, aging profile and existence of previous financial difficulties, also adjusted for forward-looking factors specific to the customers and the economic environment.

In this context, potential impacts on the collectability of receivables are evaluated, due to the coronavirus pandemic in the country and worldwide.

Group's cash and cash equivalents are mainly invested in highly rated counterparties and with a very short term tenor.

Loans include loans to employees, which are collected either through the payroll or are netted-off with their retirement indemnities, and loans to pension funds mainly due to prior years' voluntary leave schemes. The latter loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

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 / or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents and other financial assets as at June 30, 2020 amount to Euro 1,534.0 and Euro 936.1 respectively and their short-term borrowings and their short-term portion of long-term borrowings amount to Euro 1,001.6 and Euro 1,048.6, respectively.

For the monitoring of the liquidity risk, the Group prepares cash flows forecasts 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 and the Group's and the Company's policies for managing them are described below:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates. The Group's exposure to the risk of changes in interest rates relates primarily to the Group's long-term borrowings.

ii. Foreign currency risk

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

The Group operates in Greece and Romania 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 and the Ron (Romania).

Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business plans and maximize shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

An important means of managing capital is the use of the gearing ratio (ratio of net debt to equity) which is monitored at Group level. Net debt includes interest bearing loans and notes, as well as long-term and short-term lease liabilities (following IFRS 16 adoption as of January 1, 2019), less cash and cash equivalents.

GROUP	June 30, 2020	December 31, 2019
Long-term borrowings	985.6	996.4
Short-term borrowings	350.0	8.9
Short-term portion of long-term borrowings	651.6	707.5
Lease liabilities (long-term portion)	323.8	334.5
Lease liabilities (short-term portion)	70.7	62.9
Cash and cash equivalents	(1,528.7)	(1,058.3)
Net debt	**853.0**	**1,051.9**
Total equity	2,042.8	2,183.1
Gearing ratio	**0.42x**	**0.48x**

COMPANY	June 30, 2020	December 31, 2019
Long-term borrowings	893.3	892.5
Short-term borrowings	420.8	-
Short-term portion of long-term borrowings	627.8	743.8
Lease liabilities (long-term portion)	208.1	227.9
Lease liabilities (short-term portion)	41.6	42.3
Cash and cash equivalents	(933.6)	(560.6)
Net debt	**1,258.0**	**1,345.9**
Total equity	3,111.6	3,154.6
Gearing ratio	**0.40x**	**0.43x**

17. EVENTS AFTER THE FINANCIAL POSITION DATE

The most significant events after June 30, 2020, are as follows:

OTE

Share Buyback Program
Until August 4, 2020, within the framework of the Share Repurchase Program approved by the General Meeting of Shareholders on February 20, 2020, OTE had acquired 5,931,409 own shares for a total value of Euro 69.9.

New Credit Facility
On July 24, 2020, the Company signed a Bond Loan Agreement, in the form of a commited Revolving Credit Facility, with the syndication of National Bank of Greece and Alpha Bank, of Euro 200.0 in total and tenor of 2 years. No drawdown has taken place up to the date of this publication.

COSMOTE PAYMENTS

On July 21, 2020, the Bank of Greece granted an electronic money institution license to COSMOTE PAYMENTS.

OTE PLC

Repayment of Notes under the Global Medium-Term Note Programme of OTE PLC
On July 9, 2020, the Euro 700.0 fixed rate Notes under the Global Medium-Term Note Programme of OTE PLC, with outstanding nominal balance Euro 627.9, were fully repaid at maturity.

COSMOTE

Payment of principal installment under the Euro 150.0 term loan facility with European Investment Bank (EIB)
On July 23, 2020, Cosmote paid principal installment of Euro 11.5 under the term loan facility with EIB.

V. FINANCIAL DATA AND INFORMATION

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

Greek General Commercial Registry ("Γ.Ε.ΜΗ.") 001037501000

REGISTERED OFFICE: 99 KIFISSIAS AVE - 15124 MAROUSSI, ATHENS

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM JANUARY 1, 2020 TO JUNE 30, 2020

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.cosmote.gr
Date of approval of financial statements from the Board of Directors: August 05, 2020
The Certified Auditor: Fotis Smirnis (RN ICA(GR): 52861)
Auditing Company: PricewaterhouseCoopers S.A. Certified Auditors - Accountants (SOEL REG: No 113)
Type of Auditor's Review Report: Unqualified

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

	GROUP		COMPANY	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
ASSETS				
Property, plant and equipment	2,306.0	2,341.3	1,271.5	1,278.9
Right-of-use assets	410.4	418.6	247.0	270.4
Intangible assets	1,080.1	1,128.1	184.0	211.7
Other non current assets	483.9	490.9	3,572.0	3,571.2
Inventories	50.6	51.3	7.9	8.6
Trade receivables	601.5	592.5	287.7	282.3
Other current assets	225.8	275.0	276.8	187.8
Cash and cash equivalents	1,528.7	1,058.3	933.6	560.6
TOTAL ASSETS	**6,687.0**	**6,356.0**	**6,780.5**	**6,371.5**
EQUITY AND LIABILITIES				
Share capital	1,330.6	1,358.2	1,330.6	1,358.2
Other equity items	579.2	693.8	1,781.0	1,796.4
Equity attributable to shareholders of the parent (a)	1,909.8	2,052.0	3,111.6	3,154.6
Non-controlling interests (b)	133.0	131.1	-	-
Total equity (c) = (a) + (b)	**2,042.8**	**2,183.1**	**3,111.6**	**3,154.6**
Long-term borrowings	985.6	996.4	893.3	892.5
Lease liabilities (long-term)	323.8	334.5	208.1	227.9
Provisions / Other non-current liabilities	379.7	423.6	370.3	416.8
Short-term borrowings	1,001.6	716.4	1,048.6	743.8
Lease liabilities (short-term)	70.7	62.9	41.6	42.3
Other current liabilities	1,882.8	1,639.1	1,107.0	893.6
Total liabilities (d)	**4,644.2**	**4,172.9**	**3,668.9**	**3,216.9**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**6,687.0**	**6,356.0**	**6,780.5**	**6,371.5**

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

	GROUP		COMPANY	
	01.01-30.06.2020	01.01-30.06.2019	01.01-30.06.2020	01.01-30.06.2019
Total revenues	1,859.3	1,855.5	780.7	782.0
Profit before taxes, investment and financial activities	**295.2**	**152.9**	**163.5**	**143.0**
Profit before tax	253.8	144.4	316.2	611.4
Profit for the year from continuing operations	**184.3**	**80.5**	**275.9**	**570.8**
Profit / (loss) from discontinued operations	-	5.3	-	-
Profit after tax (A)	**184.3**	**85.8**	**275.9**	**570.8**
Attributable to:				
- Owners of the parent	181.0	104.8	275.9	570.8
- Non - controlling interests	3.3	(19.0)	-	-
Other comprehensive income / (loss) after tax (B)	**(4.5)**	**(59.6)**	**1.2**	**(7.2)**
Total comprehensive income after tax (A) + (B)	**179.8**	**26.2**	**277.1**	**563.6**
Attributable to:				
- Owners of the parent	177.9	48.8	277.1	563.6
- Non - controlling interests	1.9	(22.6)	-	-
Basic earnings per share (in €) from continuing operations	**0.3861**	**0.2080**	**-**	**-**
Profit before taxes, investment, financial activities and depreciation, amortization and impairment	**628.5**	**625.4**	**335.1**	**320.6**

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

	GROUP		COMPANY	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
Total equity at the beginning of the period (01.01.2020 and 01.01.2019)	2,183.1	2,574.7	3,154.6	2,888.9
Impact of implementation of IFRS 16	-	(3.3)	-	(0.3)
Total comprehensive income after tax	179.8	26.2	277.1	563.6
Net change of participation in subsidiaries	-	(0.7)	-	-
Dividend distribution	(258.6)	(250.0)	(258.6)	(249.6)
Acquisition of treasury shares	(61.7)	(46.6)	(61.7)	(46.6)
Share option plans	0.2	0.3	0.2	0.3
Total equity at the end of the period (30.06.2020 and 30.06.2019)	**2,042.8**	**2,300.6**	**3,111.6**	**3,156.3**

STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE) Amounts in millions of Euro

	GROUP		COMPANY	
	01.01-30.06.2020	01.01-30.06.2019	01.01-30.06.2020	01.01-30.06.2019
Cash flows from operating activities				
Profit before tax	253.8	144.4	316.2	611.4
Adjustments for:				
Depreciation, amortization and impairment	333.3	472.5	171.6	177.6
Costs related to voluntary leave schemes	54.6	54.5	46.2	49.4
Provision for staff retirement indemnities	2.9	2.7	1.9	1.9
Provision for youth account	0.1	1.3	0.1	1.3
Foreign exchange differences, net	0.7	(13.6)	0.1	(0.6)
Interest income	(1.0)	(2.3)	(1.3)	(3.2)
Dividend income	-	-	(181.0)	(1,050.6)
(Gains) / losses from investments and other financial assets - Impairment	0.4	(25.8)	0.3	545.6
Interest and related expenses	41.3	50.2	29.2	40.4
Working capital adjustments:				
Decrease / (increase) in inventories	0.4	10.5	0.7	2.0
Decrease / (increase) in receivables	(13.3)	(6.5)	(12.1)	(13.6)
(Decrease) / increase in liabilities (except borrowings)	5.8	(30.4)	(65.5)	(13.7)
Plus / (Minus):				
Payment for voluntary leave schemes	(51.8)	(50.0)	(43.3)	(42.4)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(5.0)	(5.6)	(4.9)	(5.5)
Interest and related expenses paid (except leases)	(5.8)	(10.4)	(4.3)	(10.1)
Interest paid for leases	(10.6)	(11.2)	(7.1)	(7.9)
Income tax paid	(0.5)	(31.5)	(0.4)	(0.5)
Net cash flows from operating activities of discontinued operations	-	(5.3)	-	-
Net cash flows from operating activities (a)	**605.3**	**543.5**	**246.4**	**281.5**
Cash flows from investing activities				
Return of capital invested in subsidiary	-	-	-	120.6
Investment in subsidiaries	-	(0.7)	(4.0)	(800.0)
Loans granted to subsidiary	-	-	(6.0)	(270.0)
Repayment of loans granted to subsidiary	-	-	6.2	270.0
Repayment of loans receivable	3.6	3.6	3.6	3.6
Purchase of property, plant and equipment and intangible assets	(317.5)	(354.2)	(177.3)	(184.3)
Proceeds from disposal of subsidiaries / investments	-	31.2	-	-
Interest received	1.0	1.1	1.4	3.2
Dividends received	-	-	80.0	1,050.0
Net cash flows from investing activities of discontinued operations	-	(6.6)	-	-
Net cash flows from / (used in) investing activities (b)	**(312.9)**	**(325.6)**	**(96.1)**	**193.1**
Cash flows from financing activities				
Acquisition of treasury shares	(60.4)	(46.3)	(60.4)	(46.3)
Proceeds from loans granted and issued	361.5	202.9	420.8	200.0
Repayment of loans	(88.5)	(302.8)	(116.7)	(379.8)
Lease repayments	(33.4)	(37.8)	(21.0)	(21.3)
Dividends paid to Company's owners	-	(0.1)	-	-
Net cash from financing activities from discontinued operations	-	(1.3)	-	-
Net cash flows from / (used) in financing activities (c)	**179.2**	**(185.4)**	**222.7**	**(247.4)**
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	**471.6**	**32.5**	**373.0**	**227.2**
Cash and cash equivalents, at the beginning of the period	**1,058.3**	**1,084.7**	**560.6**	**292.9**
Cash and cash equivalents of disposal group classified as held for sale, beginning of period	-	7.5	-	-
Net foreign exchange differences	(1.2)	(1.2)	-	-
Cash and cash equivalents, at the end of the period	**1,528.7**	**1,123.5**	**933.6**	**520.1**

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 9 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 at June 30, 2020 for litigations and other risks, as well as for unaudited tax years or pending tax cases are as follows: a) for the Group € 144.2 million and € 27.7 million respectively and b) for the Company € 120.3 million and € 16.1 million respectively.
4) Number of employees at the end of the period Group: 16,937 (30.06.2019: 18,565), Company 7,470 (30.06.2019: 7,900).
5) Other comprehensive income / (loss) after tax for the first six months of 2020 which was recognized directly in equity for the Group, relates to actuarial gains € 1.5 million (net of deferred taxes) and foreign currency translation € (6.0) million. As for the Company, it relates to actuarial gains € 1.2 million (net of deferred taxes).
6) Effective from 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 holds a 46.91% interest in OTE as of June 30, 2020.
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 2020, amounted to € 60.2 million and € 95.2 million, respectively. Other operating income for the first six months of 2020 amounted to € 0.2 million. Finance income and expense for the first six months of 2020 amounted to € 0.8 million and € 27.6 million respectively. The outstanding balance of receivables and payables from / to related parties as of June 30, 2020 derived from current transactions amounted to € 240.0 million and € 517.5 million, respectively. The outstanding balance of loans receivables from and payables to related parties amounted to € 14.6 million and € 1,976.4 million, respectively. Dividend income from related parties amounted to € 181.0 million. Fees to the members of the Board of Directors and the Company's key management personnel compensation charged in the Income Statement for the first six months of 2020, amounted to € 2.8 million. At Group level, sales and purchases of goods and services between related parties which are not eliminated, for the first six months of 2020 amounted to € 20.9 million and € 19.7 million, respectively. Other operating income, between related parties which is not eliminated, for the first six months of 2020 amounted to € nil million. The outstanding balances of receivables and payables, between related parties which are not eliminated, as of June 30, 2020 resulting from operating transactions amounted to € 16.3 million and € 634.3 million, respectively.
8) Basic earnings per share were calculated based on the weighted average number of shares outstanding.
9) Significant events after June 30, 2020 are disclosed in Note 17 of the financial statements.

Maroussi, August 05, 2020

CHAIRMAN AND MANAGING DIRECTOR	BOARD MEMBER AND OTE GROUP CHIEF FINANCIAL OFFICER	EXECUTIVE DIRECTOR FINANCIAL OPERATIONS OTE GROUP	ACCOUNTING DIRECTOR
MICHAEL TSAMAZ I.D. Number AB 516212	CHARALAMPOS MAZARAKIS I.D. Number AE 096808 License Number 0021943	GEORGE MAVRAKIS I.D. Number AN 023801	ANASTASIOS KAPENIS I.D.Number AK 618263 License Number 0086190