HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)
AS OF MARCH 31, 2013

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 1-22 were approved by the Board of Directors on April 30, 2013 and are signed by:

Chairman & Managing Director	Board Member & Group Chief Financial Officer	Group General Manager Financial Operations	Chief Accounting Officer
Michael Tsamaz	Babis Mazarakis	George Mavrakis	Konstantinos Vasilopoulos

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

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INTERIM STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

		GROUP		COMPANY	
(Amounts in millions of Euro)	Notes	31/03/2013	31/12/2012[1]	31/03/2013	31/12/2012[1]
ASSETS					
Non-current assets					
Property, plant and equipment		3,752.4	3,914.1	1,456.4	1,508.9
Goodwill		567.4	567.1	-	-
Telecommunication licenses		438.9	448.0	3.4	3.6
Other intangible assets		482.0	505.0	50.2	46.4
Investments	4	1.2	1.2	3,537.5	3,731.8
Loans and advances to pension funds		115.5	117.1	115.5	117.1
Deferred tax assets		326.1	263.4	186.9	147.9
Other non-current assets		168.4	168.8	125.3	127.5
Total non-current assets		**5,851.9**	**5,984.7**	**5,475.2**	**5,683.2**
Current assets					
Inventories		118.0	111.4	16.1	16.5
Trade receivables		787.1	822.8	395.2	406.4
Other financial assets		6.7	6.7	1.9	1.9
Other current assets	4	444.9	213.7	317.2	108.0
Restricted cash		39.4	65.1	-	-
Cash and cash equivalents		1,391.5	1,161.6	155.6	392.3
Total current assets		**2,787.6**	**2,381.3**	**886.0**	**925.1**
TOTAL ASSETS		**8,639.5**	**8,366.0**	**6,361.2**	**6,608.3**
EQUITY AND LIABILITIES					
Equity attributable to owners of the Parent					
Share capital	5	1,171.5	1,171.5	1,171.5	1,171.5
Share premium	5	510.0	509.6	510.0	509.6
Statutory reserve		347.2	347.2	347.2	347.2
Foreign exchange and other reserves		(154.5)	(165.3)	(16.3)	(22.2)
Changes in non-controlling interests		(3,321.5)	(3,321.5)	-	-
Retained earnings		3,224.8	3,057.3	797.6	746.7
Total equity attributable to owners of the Parent		**1,777.5**	**1,598.8**	**2,810.0**	**2,752.8**
Non-controlling interests		394.7	390.0	-	-
Total equity		**2,172.2**	**1,988.8**	**2,810.0**	**2,752.8**
Non-current liabilities					
Long-term borrowings	6	2,919.2	2,635.2	1,441.3	1,602.0
Provision for staff retirement indemnities		287.9	288.7	252.9	254.9
Provision for youth account		187.9	190.9	187.9	190.9
Deferred tax liabilities		99.0	84.1	-	-
Other non-current liabilities		110.5	116.0	138.1	137.9
Total non-current liabilities		**3,604.5**	**3,314.9**	**2,020.2**	**2,185.7**
Current liabilities					
Trade accounts payable		751.6	784.5	284.9	315.8
Short-term borrowings	6	1.9	1.4	202.4	128.0
Short-term portion of long-term borrowings	6	1,213.7	1,414.2	492.3	667.5
Income tax payable	7	47.8	31.6	-	-
Deferred revenue		164.8	174.9	90.8	89.1
Provision for voluntary leave scheme		151.4	151.4	151.4	151.4
Dividends payable		1.9	1.9	1.9	1.9
Other current liabilities		529.7	502.4	307.3	316.1
Total current liabilities		**2,862.8**	**3,062.3**	**1,531.0**	**1,669.8**
TOTAL EQUITY AND LIABILITIES		**8,639.5**	**8,366.0**	**6,361.2**	**6,608.3**

[1]Adjusted due to amended IAS 19 "Employee benefits" (see Note 16).
As at December 31, 2012, the adoption of the amended IAS 19 "Employee benefits" resulted in an increase in the "Provision for staff retirement indemnities" of Euro 31.2 and the corresponding taxes recognized in "Deferred tax assets" amounted to Euro 6.2. As a result, total equity was reduced by Euro 25.0 for the Group and the Company.

INTERIM INCOME STATEMENTS (CONSOLIDATED AND SEPARATE)

		GROUP		COMPANY	
(Amounts in millions of Euro except per share data)	Notes	01/01-31/03/2013	01/01-31/03/2012[1]	01/01-31/03/2013	01/01-31/03/2012[1]
Revenue					
Domestic telephony	8	225.9	265.9	170.9	200.9
International telephony	8	27.4	38.6	15.6	23.9
Mobile telephony	8	423.2	489.0	-	-
Other revenue	8	368.9	386.7	202.6	216.4
Total revenue		**1,045.4**	**1,180.2**	**389.1**	**441.2**
Other income/ (expense), net	9	**5.6**	**1.0**	**1.3**	**(0.5)**
Operating expenses					
Payroll and employee benefits		(213.1)	(241.4)	(110.2)	(139.2)
Provision for staff retirement indemnities		(3.0)	(3.6)	(2.2)	(2.9)
Provision for youth account		(0.7)	(1.0)	(0.7)	(1.0)
Cost of early retirement program		(1.8)	-	-	-
Charges from international operators		(37.3)	(45.1)	(15.9)	(20.3)
Charges from domestic operators		(52.1)	(81.6)	(18.2)	(31.8)
Depreciation, amortization and impairment		(214.6)	(222.6)	(68.2)	(74.5)
Cost of telecommunications equipment/ write downs		(54.5)	(62.3)	(6.4)	(10.9)
Other operating expenses	10	(320.5)	(326.8)	(99.5)	(93.0)
Total operating expenses		**(897.6)**	**(984.4)**	**(321.3)**	**(373.6)**
Operating profit before financial activities		**153.4**	**196.8**	**69.1**	**67.1**
Income and expense from financial activities					
Interest expense		(70.9)	(71.6)	(44.3)	(52.1)
Interest income		3.5	4.3	1.9	2.6
Foreign exchange differences, net		1.6	3.2	0.3	(0.1)
Dividend income	4	-	-	7.0	-
Gains / (losses) from investments and financial assets	4	60.6	225.0	(20.0)	225.0
Total profit/(loss) from financial activities		**(5.2)**	**160.9**	**(55.1)**	**175.4**
Profit before tax		**148.2**	**357.7**	**14.0**	**242.5**
Income tax	7	24.5	(42.6)	36.9	(19.8)
Profit for the period		**172.7**	**315.1**	**50.9**	**222.7**
Attributable to:					
Owners of the parent		167.5	308.1	50.9	222.7
Non-controlling interests		5.2	7.0	-	-
		172.7	**315.1**	**50.9**	**222.7**
Basic earnings per share	11	0.3417	0.6286		
Diluted earnings per share	11	0.3417	0.6286		

[1]Adjusted due to amended IAS 19 “Employee benefits” (see Note 16).
The adoption of the amended IAS 19 “Employee benefits” resulted in an decrease in the “Provision for staff retirement indemnities” of Euro 1.9. The corresponding taxes recognized in “Income tax” amounted to Euro (0.4) for the Group and the Company.

INTERIM STATEMENTS OF COMPREHENSIVE INCOME (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	Notes	GROUP 01/01-31/03/2013	GROUP 01/01-31/03/2012[1]	COMPANY 01/01-31/03/2013	COMPANY 01/01-31/03/2012[1]
Profit for the period		**172.7**	**315.1**	**50.9**	**222.7**
Foreign currency translation		5.9	(22.5)	-	-
Actuarial gains/ (losses)		3.9	(17.6)	3.9	(17.6)
Deferred taxes on actuarial gains/ (losses)		(1.0)	3.5	(1.0)	3.5
Deferred taxes on actuarial gains/ (losses) due to change in the tax rate		3.0	-	3.0	-
Net movement in available for sale financial assets		-	(225.5)	-	(225.5)
Deferred taxes on net movement in available for sale financial assets		-	13.6	-	13.6
Other comprehensive income / (loss) for the period		**11.8**	**(248.5)**	**5.9**	**(226.0)**
Total comprehensive income / (loss) for the period		**184.5**	**66.6**	**56.8**	**(3.3)**
Attributable to:					
Owners of the parent		178.3	64.6	56.8	(3.3)
Non-controlling interests		6.2	2.0	-	-
		184.5	**66.6**	**56.8**	**(3.3)**

[1]Adjusted due to amended IAS 19 "Employee benefits" (see Note 16).

INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

	Attributed to equity holders of the parent								
(Amounts in millions of Euro)	Share capital	Share premium	Statutory reserve	Foreign exchange and other reserves	Changes in non-controlling interests	Retained earnings	Total	Non-controlling Interest	Total equity
Balance as at January 1, 2012[1]	**1,171.5**	**508.0**	**347.2**	**72.4**	**(3,321.5)**	**2,585.4**	**1,363.0**	**373.8**	**1,736.8**
Profit for the period	-	-	-	-	-	308.1	**308.1**	7.0	**315.1**
Other comprehensive income / (loss)	-	-	-	(243.5)	-	-	**(243.5)**	(5.0)	**(248.5)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**(243.5)**	**-**	**308.1**	**64.6**	**2.0**	**66.6**
Share-based payment	-	0.7	-	-	-	-	**0.7**	-	**0.7**
Balance as at March 31, 2012[1]	**1,171.5**	**508.7**	**347.2**	**(171.1)**	**(3,321.5)**	**2,893.5**	**1,428.3**	**375.8**	**1,804.1**
Balance as at January 1, 2013	**1,171.5**	**509.6**	**347.2**	**(165.3)**	**(3,321.5)**	**3,057.3**	**1,598.8**	**390.0**	**1,988.8**
Profit for the period	-	-	-	-	-	167.5	167.5	5.2	**172.7**
Other comprehensive income / (loss)	-	-	-	10.8	-	-	10.8	1.0	**11.8**
Total comprehensive income / (loss)	**-**	**-**	**-**	**10.8**	**-**	**167.5**	**178.3**	**6.2**	**184.5**
Share-based payment	-	0.4	-	-	-	-	0.4	-	**0.4**
Net change of participation in subsidiaries	-	-	-	-	-	-	-	(1.5)	**(1.5)**
Balance as at March 31, 2013	**1,171.5**	**510.0**	**347.2**	**(154.5)**	**(3,321.5)**	**3,224.8**	**1,777.5**	**394.7**	**2,172.2**

[1]Adjusted due to amended IAS 19 “Employee benefits” (see Note 16).

INTERIM STATEMENT OF CHANGES IN EQUITY (SEPARATE)

(Amounts in millions of Euro)	Share capital	Share premium	Statutory reserve	Foreign exchange and other reserves	Retained earnings	Total equity
Balance as at January 1, 2012[1]	**1,171.5**	**508.0**	**347.2**	**183.9**	**914.4**	**3,125.0**
Profit for the period	-	-	-	-	222.7	**222.7**
Other comprehensive income / (loss)	-	-	-	(226.0)	-	**(226.0)**
Total comprehensive income / (loss)	**-**	**-**	**-**	**(226.0)**	**222.7**	**(3.3)**
Share-based payment	-	0.7	-	-	-	**0.7**
Balance as at March 31, 2012[1]	**1,171.5**	**508.7**	**347.2**	**(42.1)**	**1,137.1**	**3,122.4**
Balance as at January 1, 2013	**1,171.5**	**509.6**	**347.2**	**(22.2)**	**746.7**	**2,752.8**
Profit for the period	-	-	-	-	50.9	**50.9**
Other comprehensive income / (loss)	-	-	-	5.9	-	**5.9**
Total comprehensive income / (loss)	**-**	**-**	**-**	**5.9**	**50.9**	**56.8**
Share-based payment	-	0.4	-	-	-	**0.4**
Balance as at March 31, 2013	**1,171.5**	**510.0**	**347.2**	**(16.3)**	**797.6**	**2,810.0**

[1]Adjustment due to the amended IAS 19 “Employee benefits” (see Note 16).

INTERIM STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

(Amounts in millions of Euro)	Notes	GROUP		COMPANY	
		01/01-31/03/2013	01/01-31/03/2012[1]	01/01-31/03/2013	01/01-31/03/2012[1]
Cash flows from operating activities					
Profit before tax		148.2	357.7	14.0	242.5
Adjustments for:					
Depreciation, amortization and impairment		214.6	222.6	68.2	74.5
Share-based payment	14	0.4	0.7	0.1	0.1
Cost of early retirement program		1.8	-	-	-
Provision for staff retirement indemnities		3.0	3.6	2.2	2.9
Provision for youth account		0.7	1.0	0.7	1.0
Write down of inventories		0.5	0.9	-	-
Other provisions		(2.4)	-	(2.1)	-
Provision for doubtful accounts	10	24.3	32.2	6.6	7.4
Foreign exchange differences, net		(1.6)	(3.2)	(0.3)	0.1
Interest income		(3.5)	(4.3)	(1.9)	(2.6)
Dividend income	4	-	-	(7.0)	-
(Gains) /losses from investments and financial assets	4	(60.6)	(225.0)	20.0	(225.0)
Interest expense		70.9	71.6	44.3	52.1
Working capital adjustments:					
Decrease/ (increase) in inventories		(7.3)	(3.7)	0.4	(1.7)
Decrease / (increase) in accounts receivable		(27.6)	(47.2)	1.9	(8.9)
Increase / (decrease) in liabilities (except borrowings)		11.1	(39.3)	(11.4)	(42.3)
Plus/(Minus):					
Payment for early retirement programs and voluntary leave scheme		(4.3)	(9.1)	(2.5)	(8.9)
Payment of staff retirement indemnities and youth account, net of employees' contributions		(6.3)	(16.9)	(6.3)	(16.7)
Interest and related expenses paid		(102.7)	(81.7)	(94.9)	(80.0)
Income taxes paid		(2.6)	(25.7)	(0.3)	(22.0)
Net cash flows from / (used in) operating activities		**256.6**	**234.2**	**31.7**	**(27.5)**
Cash flows from investing activities					
Purchase of financial assets		-	(720.0)	-	(677.4)
Sale or maturity of financial assets		-	366.1	-	347.1
Repayments of loans receivable		2.6	2.6	2.6	2.6
Purchase of property plant and equipment and intangible assets		(102.8)	(118.5)	(22.3)	(22.2)
Decrease / (increase) in restricted cash		23.5	-	-	-
Proceeds from disposal of subsidiaries / investments, net of cash disposed	4	(49.4)	380.0	-	380.0
Interest received		5.0	2.9	1.8	2.4
Dividends received	4	-	17.0	7.0	17.0
Net cash flows from / (used in) investing activities		**(121.1)**	**(69.9)**	**(10.9)**	**49.5**
Cash flows from financing activities					
Proceeds from loans granted and issued	6	888.2	4.2	537.2	2.7
Repayment of loans	6	(794.7)	-	(794.7)	-
Net cash flows from / (used in) financing activities		**93.5**	**4.2**	**(257.5)**	**2.7**
Net increase/(decrease) in cash and cash equivalents		**229.0**	**168.5**	**(236.7)**	**24.7**
Cash and cash equivalents, at the beginning of the period		**1,161.6**	**683.4**	**392.3**	**156.0**
Net foreign exchange differences		0.9	(2.9)	-	-
Cash and cash equivalents, at the end of the period		**1,391.5**	**849.0**	**155.6**	**180.7**

[1]Adjusted due to amended IAS 19 “Employee benefits” (see Note 16).

1. CORPORATE INFORMATION

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

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

Effective February 6, 2009, the financial statements are included in the consolidated financial statements of DEUTSCHE TELEKOM AG (full consolidation method), which has its registered office in Germany and as of March 31, 2013 holds a 40.00% 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 March 31, 2013 and for the three month period then ended, were approved for issuance by the Board of Directors on April 30, 2013.

The total numbers of Group and Company employees as of March 31, 2013 and 2012 were as follows:

	GROUP	COMPANY
March 31, 2013	27,517	8,734
March 31, 2012	28,867	10,556

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

COMPANY NAME	LINE OF BUSINESS	COUNTRY	31/03/2013 GROUP's OWNERSHIP INTEREST	31/12/2012 GROUP's OWNERSHIP INTEREST
COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE")	Mobile telecommunications services	Greece	100.00%	100.00%
OTE INTERNATIONAL INVESTMENTS LTD	Investment holding company	Cyprus	100.00%	100.00%
HELLAS SAT CONSORTIUM LIMITED ("HELLAS-SAT") (see Note 4)	Satellite communications	Cyprus	-	99.05%
COSMO-ONE HELLAS MARKET SITE S.A. ("COSMO-ONE")	E-commerce services	Greece	61.74%	61.74%
VOICENET S.A. ("VOICENET")	Telecommunications services	Greece	100.00%	100.00%
HELLASCOM S.A. ("HELLASCOM")	Telecommunication projects	Greece	100.00%	100.00%
OTE PLC	Financing services	U.K.	100.00%	100.00%
OTE SAT-MARITEL S.A. ("OTE SAT – MARITEL")	Satellite telecommunications services	Greece	94.08%	94.08%
OTE PLUS TECHNICAL AND BUSINESS SOLUTIONS S.A.– SECURITY SERVICES ("OTE PLUS")	Consulting and security services	Greece	100.00%	100.00%
DIERGASIA ENERGY TECHNICAL COMMERCIAL S.A. – GENERAL CONSTRUCTION COMPANY ("DIERGASIA")	Consulting services	Greece	100.00%	100.00%
OTE ESTATE S.A. ("OTE ESTATE")	Real estate	Greece	100.00%	100.00%
OTE INTERNATIONAL SOLUTIONS S.A. ("OTE-GLOBE")	Wholesale telephony services	Greece	100.00%	100.00%
HATWAVE HELLENIC-AMERICAN TELECOMMUNICATIONS WAVE LTD. ("HATWAVE")	Investment holding company	Cyprus	52.67%	52.67%
OTE INSURANCE AGENCY S.A. ("OTE INSURANCE")	Insurance brokerage services	Greece	100.00%	100.00%
OTE ACADEMY S.A. ("OTE ACADEMY")	Training services	Greece	100.00%	100.00%
ROMTELECOM S.A. ("ROMTELECOM")	Fixed line telephony services	Romania	54.01%	54.01%
NEXTGEN COMMUNICATIONS SRL ("NEXTGEN")	Telecommunications services	Romania	54.01%	54.01%
S.C. COSMOTE ROMANIAN MOBILE TELECOMMUNICATIONS S.A. ("COSMOTE ROMANIA")	Mobile telecommunications services	Romania	86.20%	86.20%
COSMO BULGARIA MOBILE EAD ("GLOBUL")	Mobile telecommunications services	Bulgaria	100.00%	100.00%
COSMO-HOLDING ALBANIA S.A. ("CHA")	Investment holding company	Greece	97.00%	97.00%

COMPANY NAME	LINE OF BUSINESS	COUNTRY	31/03/2013	31/12/2012
			GROUP's OWNERSHIP INTEREST	
ALBANIAN MOBILE COMMUNICATIONS Sh.a ("AMC")	Mobile telecommunications services	Albania	97.21%	97.21%
COSMOHOLDING CYPRUS LTD ("COSMOHOLDING CYPRUS")	Investment holding company	Cyprus	100.00%	100.00%
GERMANOS S.A. ("GERMANOS")	Retail services	Greece	100.00%	100.00%
E-VALUE S.A.	Marketing services	Greece	100.00%	100.00%
GERMANOS TELECOM ROMANIA S.A.	Retail services	Romania	100.00%	100.00%
SUNLIGHT ROMANIA S.R.L. FILIALA	Retail services	Romania	100.00%	100.00%
GERMANOS TELECOM BULGARIA A.D.	Retail services	Bulgaria	100.00%	100.00%
MOBILBEEEP LTD	Retail services	Greece	100.00%	100.00%
OTE PROPERTIES (see below)	Real estate	Greece	-	100.00%
HELLAS SAT S.A. (see Note 4)	Satellite communications	Greece	-	99.05%
OTE INVESTMENT SERVICES S.A.	Investment holding company	Greece	100.00%	100.00%
COSMOHOLDING ROMANIA LTD	Investment holding company	Cyprus	100.00%	100.00%
TELEMOBIL S.A. ("ZAPP")	Mobile telecommunications services	Romania	100.00%	100.00%
E-VALUE DEBTORS AWARENESS ONE PERSON LTD ("E-VALUE LTD")	Overdue accounts management	Greece	100.00%	100.00%

LIQUIDATION OF OTE PROPERTIES

The liquidation process of OTE PROPERTIES was finalized on January 10, 2013, while its tax number was removed from the tax authorities' register on February 8, 2013.

2. BASIS OF PREPARATION

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

These interim financial statements do not include all the information required in the annual financial statements and they should be read in conjunction with the annual audited financial statements as of December 31, 2012, which are available on the Company's website https://www.ote.gr/web/guest/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 and loss, available-for-sale financial assets and derivative financial instruments which have been measured at fair values in accordance with IFRS. The carrying values of recognized assets and liabilities that are hedged items in fair value hedges that would otherwise be carried at amortized cost, are adjusted to record changes in the fair values attributable to the risks that are being in effective hedge relationships.

In preparing these interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, were the same as those applied to the annual audited financial statements as of December 31, 2012.

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, 2012 and which are comprehensively presented in the notes of the annual financial statements, except for the adoption of the following new and amended IFRS and IFRIC interpretations which became effective for the accounting periods beginning January 1, 2013, 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 during the current financial year and subsequent years.

Standards and Interpretations effective for the current financial year

- **IAS 1 (Amendment) "Presentation of Financial Statements"**: The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future.

- **IAS 19 (Amendment) "Employee Benefits"**: This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. The impact of this amendment is further explained in Note 16.

- **IAS 12 (Amendment) "Income Taxes"**: The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property".

- **IFRS 13 "Fair Value Measurement"**: IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones.

- **IFRS 7 (Amendment) "Financial Instruments: Disclosures"**: The IASB has published this amendment to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

- **IFRIC 20 "Stripping costs in the production phase of a surface mine"**: This interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. The interpretation may require mining entities to write off existing stripping assets to opening retained earnings if the assets cannot be attributed to an identifiable component of an ore body. IFRIC 20 applies only to stripping costs that are incurred in surface mining activity during the production phase of the mine, while it does not address underground mining activity or oil and natural gas activity.

Amendments to standards that form part of the IASB's 2011 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2012 of the results of the IASB's annual improvements project.

- **IAS 1 "Presentation of financial statements"**: The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either (a) as required by IAS 8 "Accounting policies, changes in accounting estimates and errors" or (b) voluntarily.

- **IAS 16 "Property, plant and equipment"**: The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment, i.e. when they are used for more than one period.

- **IAS 32 "Financial instruments: Presentation"**: The amendment clarifies that income tax related to distributions is recognized in the income statement and income tax related to the costs of equity transactions is recognised in equity, in accordance with IAS 12.

- **IAS 34, 'Interim financial reporting'**: The amendment clarifies the disclosure requirements for segment assets and liabilities in interim financial statements, in line with the requirements of IFRS 8 "Operating segments".

Standards and Interpretations effective for periods beginning on or after January 1, 2014

- **IFRS 9 "Financial Instruments"**: (effective for annual periods beginning on or after January 1, 2015). IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Standard has not been endorsed by the EU.

- **IAS 32 (Amendment) "Financial Instruments: Presentation"**: (effective for annual periods beginning on or after January 1, 2014). This amendment to the application guidance in IAS 32 clarifies some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after January 1, 2014)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after January 1, 2014. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

- **IFRS 10 "Consolidated Financial Statements"**: IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

- **IFRS 11 "Joint Arrangements"**: IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

- **IFRS 12 "Disclosure of Interests in Other Entities"**: IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

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

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

- **IFRS 10, IFRS 11 and IFRS 12 (Amendment) "Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance"**: (effective for annual periods beginning on or after January 1, 2014). The amendment to the transition requirements in IFRSs 10, 11 and 12 clarifies the transition guidance in IFRS 10 and limits the requirements to provide comparative information for IFRS 12 disclosures only to the period that immediately precedes the first annual period of IFRS 12 application. Comparative disclosures are not required for interests in unconsolidated structured entities.

- **IFRS 10, IFRS 12 and IAS 27 (Amendment) "Investment entities"**: (effective for annual periods beginning on or after January 1, 2014). The amendment to IFRS 10 defines an investment entity and introduces an exception from consolidation. Many funds and similar entities that qualify as investment entities will be exempt from consolidating most of their subsidiaries, which will be accounted for at fair value through profit or loss, although controlled. The amendments to IFRS 12 introduce disclosures that an investment entity needs to make. These amendments have not yet been endorsed by the EU.

4. INVESTMENTS

Investments are analyzed as follows:

	GROUP		COMPANY	
	31/03/2013	31/12/2012	31/03/2013	31/12/2012
(a) Investments in subsidiaries	-	-	3,536.3	3,730.6
(b) Other investments	1.2	1.2	1.2	1.2
TOTAL	**1.2**	**1.2**	**3,537.5**	**3,731.8**

(a) Investments in subsidiaries are analyzed as follows:

	OTE's direct ownership interest	Country of incorporation	31/03/2013	31/12/2012
COSMOTE	100.00%	Greece	2,760.8	2,760.4
OTE INTERNATIONAL INVESTMENTS LTD	100.00%	Cyprus	401.9	401.9
HELLAS-SAT	99.05%	Cyprus	-	194.7
COSMO-ONE	30.87%	Greece	0.5	0.5
VOICENET	100.00%	Greece	3.1	3.1
HELLASCOM	100.00%	Greece	4.4	4.4
OTE SAT- MARITEL	94.08%	Greece	4.6	4.6
OTE PLC	100.00%	U.K.	-	-
OTE PLUS	100.00%	Greece	3.8	3.8
OTE ESTATE	100.00%	Greece	193.2	193.2
OTE GLOBE	100.00%	Greece	163.7	163.7
OTE INSURANCE	100.00%	Greece	0.1	0.1
OTE ACADEMY	100.00%	Greece	0.2	0.2
TOTAL			**3,536.3**	**3,730.6**

SHARE OPTION PLAN

OTE has implemented a Share Option Plan (see Note 14) for executives, including executives of COSMOTE Group. The Share Option Plan grants to these executives the opportunity, subject to vesting conditions, to purchase OTE's shares at a potentially preferential purchase price. COSMOTE's related expense for the Share Option Plan for the first three months of 2013 is Euro 0.4 and in OTE's separate financial statements has been recorded in equity with an equal increase of the carrying value of OTE's investment in COSMOTE.

SALE OF HELLAS-SAT

On February 7, 2013, OTE announced the signing of an agreement to sell its 99.05% stake in HELLAS-SAT to Arabsat Cyprus Ltd, a 100% subsidiary of Arab Satellite Communications Organization. The transaction was completed on March 26, 2013 after the approval by the competent authorities. The total consideration was Euro 208.4. In addition, OTE received Euro 7.0 as dividends. The consideration is included in "Other current assets" as of March 31, 2013, as it was received on April 3, 2013, together with the transfer of the shares to the buyer.

HELLAS-SAT is included in the consolidated financial statements until the date the Group ceased to control that company (March 26, 2013).

The following table presents HELLAS SAT's condensed income statements for the first quarter and the fiscal year 2012 and for the period January 1, 2013 - March 26, 2013:

	1/1/2013 – 26/03/2013	1/1/2012 – 31/03/2012	Year 2012
Total revenue	7.1	7.5	31.1
Other income/ (expense), net	-	-	0.1
Total operating expenses	(5.2)	(5.0)	(20.5)
Operating profit before financial activities	**1.9**	**2.5**	**10.7**
Total profit/(loss) from financial activities	(0.9)	0.5	1.6
Profit before tax	**1.0**	**3.0**	**12.3**
Income tax expense	(0.3)	(0.5)	(6.7)
Profit for the period	**0.7**	**2.5**	**5.6**

In the consolidated income statement, the gain from the sale was determined as the difference between the selling price less related expenses and the value of HELLAS-SAT's net assets at the date of disposal, adjusted for certain price adjustments and other provisions, the impact of which has been estimated at March 31, 2013.

The assets and liabilities of HELLAS-SAT at the date of disposal (March 26, 2013) are as follows:

	26/03/2013
ASSETS	
Non-current assets	68.1
Cash and cash equivalents	49.4
Other current assets	11.1
Total Assets	**128.6**
LIABILITIES	
Long-term liabilities	5.7
Short-term liabilities	7.7
Total Liabilities	**13.4**
Net assets sold	**115.2**
OTE's share in HELLAS-SAT's net assets sold (99.05%)	**114.1**

Selling price	208.4
Disposal expenses, price adjustments and other provisions	(33.9)
OTE's share in HELLAS-SAT's net assets sold (99.05%)	(114.1)
Gain from sale of investment in the consolidated income statement	**60.4**

5. SHARE CAPITAL – SHARE PREMIUM

OTE's share capital as of March 31, 2013 and December 31, 2012, amounted to Euro 1,171.5, divided into 490,150,389 registered shares, with a nominal value of Euro 2.39 (absolute amount) per share. The share premium as of March 31, 2013 and December 31, 2012 amounted to Euro 510.0 and Euro 509.6, respectively, the increase (Euro 0.4) being the amount charged in the income statement for the first three months of 2013 under the Group's share option plan (see Note 14).

The following is an analysis of the ownership of OTE's shares as of March 31, 2013:

Shareholder	Number of shares	Percentage %
Hellenic State	29,409,027	6.00%
IKA–ETAM (refers only to the transfer of 4% from the Hellenic State)	19,606,015	4.00%
DEUTSCHE TELEKOM AG	196,060,156	40.00%
Institutional investors	188,802,178	38.52%
Private investors	56,273,013	11.48%
TOTAL	**490,150,389**	**100.00%**

6. LONG-TERM AND SHORT-TERM BORROWINGS

LONG –TERM BORROWINGS

Long-term borrowings are analyzed as follows:

GROUP	31/03/2013	31/12/2012
(a) Syndicated loans	642.4	1,039.4
(b) Global Medium-Term Note Program	3,490.5	3,010.0
Total long-term debt	**4,132.9**	**4,049.4**
Short-term portion	(1,213.7)	(1,414.2)
Long-term portion	**2,919.2**	**2,635.2**

(a) Syndicated loans
Euro 900.0 Revolving Credit Facility
On February 11, 2013, OTE proceeded with the repayment of Euro 400.0 under the Euro 900.0 Revolving Credit Facility (Bond Loan) that OTE had signed in February 2011 with a consortium of banks. The remaining portion of nominal amount of Euro 500.0 that matures on February 11, 2014 has been reclassified to the short-term portion of long-term borrowings. The current outstanding balance of this facility is Euro 492.3.

(b) Global Medium-Term Note Program
Private Bond Exchange Agreement under the Global Medium-Term Note Programme
On January 16, 2013, OTE PLC concluded a private bond exchange agreement under its Global Medium Term Note Programme by which it exchanged Euro 187.0 of the August 2013 Notes with a new issue of Euro 187.7 Notes ("New Notes") maturing in February 2015. The repurchased Euro 187.0 August 2013 notes have been cancelled. The New Notes were consolidated with the existing Euro 600.0 Notes issued in February 2008 and maturing in February 2015, which have a current coupon of 7.25%.

Euro 700.0 notes under the Global Medium-Term Note Programme
On February 7, 2013, OTE PLC issued new Euro 700.0, due February 7, 2018 Fixed Rate Notes under its Global Medium-Term Note Programme with an annual coupon of 7.875%, paid semi-annually.

The new notes contain a change of control clause which is triggered if an entity (other than (i) DEUTSCHE TELEKOM AG, (ii) DEUTSCHE TELEKOM AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than DEUTSCHE TELEKOM AG) with credit rating equivalent or better than the credit rating of DEUTSCHE TELEKOM AG), gains the power to direct the management and policies of OTE, whether through the ownership of voting capital, by contract or otherwise. In the event that the clause is triggered OTE PLC is obliged to notify the bondholders, who may request (within 45 days) the repayment of the notes.

Tender Offer by OTE PLC under the Global Medium-Term Note Programme
On January 29, 2013, OTE PLC announced an invitation to holders of its outstanding Euro 1,250.0 August 2013 notes (the August 2013 Notes) and its outstanding Euro 500.0 April 2014 notes (the April 2014 Notes) to tender their Notes for purchase by OTE PLC for cash. As a result of this tender offer, on February 11, 2013, OTE PLC repurchased nominal amount of Euro 106.2 under the August 2013 Notes and nominal amount of Euro 92.5 under the April 2014 Notes. The tendered notes were surrendered for cancellation. As a result, the outstanding nominal amount of August 2013 Notes and April 2014 Notes was reduced at Euro 713.8 and Euro 407.5 respectively.

Prepayment of loans
On March 1, 2013, OTE PLC proceeded with partial prepayments of a nominal amount of Euro 4.5 under the April 2014 Notes. As a result, on March 31, 2013 the outstanding nominal amount of April 2014 Notes was Euro 403.0.

COMPANY	31/03/2013	31/12/2012
(a) Syndicated loans	492.3	889.5
(b) Intercompany loans from OTE PLC	1,441.3	1,380.0
Total long-term debt	**1,933.6**	**2,269.5**
Short-term portion	(492.3)	(667.5)
Long-term portion	**1,441.3**	**1,602.0**

(a) Syndicated loans
Euro 900.0 Revolving Credit Facility
On February 11, 2013, OTE proceeded with the repayment of Euro 400.0 under the Euro 900.0 Revolving Credit Facility (Bond Loan) that OTE had signed in February 2011 with a consortium of banks. The remaining portion of nominal amount of Euro 500.0 that matures on February 11, 2014 has been reclassified to the short-term portion of long-term borrowings. The current outstanding balance of this facility is Euro 492.3.

(b) Intercompany loans with OTE PLC
New intercompany loans between OTE PLC and OTE
On January 16, 2013, OTE signed a Euro 187.7 intercompany loan agreement with OTE PLC maturing on February 11, 2015. The loan bears a fixed interest rate.

On February 14, 2013, OTE signed a Euro 250.0 intercompany loan agreement with OTE PLC, maturing on February 7, 2018. The loan bears a fixed interest rate.

Prepayments of intercompany loans granted from OTE PLC
On January 16, 2013 and on February 15, 2013, OTE proceeded with a partial prepayment of a nominal amount of Euro 187.0 and Euro 81.1 respectively, under the intercompany loan from OTE PLC maturing on August 1, 2013. As a result, the intercompany loan was fully repaid.

On February 15, 2013 and on March 1, 2013, OTE proceeded with partial prepayments of a nominal amount of Euro 92.5 and Euro 4.5 respectively under the Euro 500.0 intercompany loan maturing in April 8, 2014. As a result, on March 31, 2013 the outstanding nominal amount of the Euro 500.0 intercompany loan was Euro 403.0.

Derivatives

On February 14, 2013 and on March 28, 2013, OTE proceeded with a partial unwind of Euro 92.5 and Euro 10.0 respectively under its interest rate swap agreements signed in April 2011. On February 19, 2013, OTE returned an amount of Euro 4.5 from the outstanding collateral under the existing Credit Support Annex.

SHORT –TERM BORROWINGS

GROUP

The outstanding balance of short-term borrowings as of March 31, 2013 for the Group amounted to Euro 1.9 (December 31, 2012: Euro 1.4), which represents the outstanding amount of an overdraft facility of OTE PLUS. During the first three months of 2013 OTE PLUS received an amount of Euro 0.5.

COMPANY

The outstanding balance of short-term borrowings as of March 31, 2013 for the Company amounted to Euro 202.4 (December 31, 2012: Euro 128.0).

On January 25, 2013, OTE signed a Euro 99.5 intercompany loan agreement with OTE PLC maturing on August 5, 2013. The loan bears a fixed interest rate. On February 15, 2013, OTE repaid Euro 25.1 under this loan. As a result, on March 31, 2013 the outstanding nominal amount of the Euro 99.5 intercompany loan was Euro 74.4.

7. INCOME TAXES

According to the new tax law 4110/2013 which was set into force on January 23, 2013, the corporate income tax rate of legal entities in Greece is set at 26% for fiscal year 2013 onwards and the withholding tax rate on dividend distribution approved after January 1, 2014 is set to 10%.

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:

COMPANY	Open Tax Years
OTE	From 2009
COSMOTE	From 2010
OTE INTERNATIONAL INVESTMENTS LTD	From 2010
COSMO-ONE	From 2010
VOICENET	From 2004
HELLASCOM	From 2010
OTE PLC	From 2005
OTE SAT-MARITEL	From 2007
OTE PLUS	From 2010
OTE ESTATE	From 2008
OTE-GLOBE	From 2010
OTE INSURANCE	From 2010
OTE ACADEMY	From 2010
HATWAVE	From 1996
OTE INVESTMENTS SERVICES S.A.	From 2010
ROMTELECOM	From 2006
NEXTGEN	From 2008
AMC	From 2011
GLOBUL	From 2010
COSMOTE ROMANIA	From 2008
GERMANOS	From 2010
E-VALUE S.A.	From 2010
GERMANOS TELECOM ROMANIA S.A.	From 2008
SUNLIGHT ROMANIA S.R.L. -FILIALA	From 2008
GERMANOS TELECOM BULGARIA A.D.	From 2010
MOBILBEEEP LTD	From 2010
CHA	From 2007

COMPANY	Open Tax Years
COSMO-HOLDING CYPRUS	From 2006
COSMOHOLDING ROMANIA LTD	From 2009 (incorporation)
ZAPP	From 2009
E-VALUE LTD	From 2010 (incorporation)

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

- GLOBUL has settled the unaudited years 2005-2009 and the impact to the Group amounted to Euro 0.2.

The major components of income tax expense are as follows:

	GROUP		COMPANY	
	01/01-31/03/2013	01/01-31/03/2012[1]	01/01-31/03/2013	01/01-31/03/2012[1]
Current income tax	21.0	43.5	-	20.9
Differences arising from tax audits	0.2	0.2	-	-
Deferred income tax – Effect due to change in the income tax rate	(50.0)	-	(41.4)	-
Deferred income tax	4.3	(1.1)	4.5	(1.1)
Total income tax	**(24.5)**	**42.6**	**(36.9)**	**19.8**

[1]Adjusted due to amended IAS 19 "Employee benefits" (see Note 16).

Income tax payable for the Group and the Company as of March 31, 2013 amounted to Euro 47.8 and nill, respectively.

8. REVENUE

Revenue is analyzed as follows:

	GROUP		COMPANY	
	01/01-31/03/2013	01/01-31/03/2012	01/01-31/03/2013	01/01-31/03/2012
DOMESTIC TELEPHONY				
Monthly network service fees	134.9	149.3	91.9	100.7
Local and long-distance calls				
-Fixed to fixed	56.7	72.3	52.0	65.3
-Fixed to mobile	21.2	29.5	16.1	22.2
	77.9	101.8	68.1	87.5
Other	13.1	14.8	10.9	12.7
	225.9	**265.9**	**170.9**	**200.9**
INTERNATIONAL TELEPHONY				
International traffic	10.6	12.8	7.2	8.3
Dues from international operators	10.8	19.5	2.5	9.2
Dues from mobile operators	6.0	6.3	5.9	6.4
	27.4	**38.6**	**15.6**	**23.9**
MOBILE TELEPHONY	**423.2**	**489.0**	**-**	**-**
OTHER REVENUE				
Prepaid cards	3.5	3.9	3.2	3.6
Leased lines and Data ATM communications	52.3	66.4	16.1	23.1
Integrated Services Digital Network (ISDN)	25.1	27.9	22.8	25.1
Sales of telecommunication equipment	68.7	67.8	4.6	6.4
Internet/ ADSL	76.1	75.0	50.6	50.5
Co-location / Local Loop	55.6	55.6	54.5	54.5
Metro Ethernet & IP CORE	14.2	12.5	12.3	10.6
Provision for services	34.1	31.8	18.1	19.0
Interconnection charges	14.2	17.8	12.4	15.5
Miscellaneous	25.1	28.0	8.0	8.1
	368.9	**386.7**	**202.6**	**216.4**
TOTAL REVENUE	**1,045.4**	**1,180.2**	**389.1**	**441.2**

9. OTHER INCOME/ (EXPENSE), NET

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

	GROUP		COMPANY	
	01/01-31/03/2013	01/01-31/03/2012	01/01-31/03/2013	01/01-31/03/2012
Forfeiture of letters of guarantee	0.2	0.4	0.2	0.4
Rents	2.1	2.1	0.1	-
Income/ (expense) from penalties, net	1.2	1.6	-	-
Other	2.1	(3.1)	1.0	(0.9)
TOTAL	**5.6**	**1.0**	**1.3**	**(0.5)**

10. OTHER OPERATING EXPENSES

Other operating expenses are analyzed as follows:

	GROUP		COMPANY	
	01/01-31/03/2013	01/01-31/03/2012	01/01-31/03/2013	01/01-31/03/2012
Third party fees	43.7	44.7	25.5	23.0
Cost of telecommunication materials, repairs and maintenance	32.1	35.7	13.1	13.0
TV costs	23.4	21.4	11.0	9.3
Advertising and promotion costs	28.8	30.0	5.5	4.3
Utilities	46.2	39.3	16.3	12.6
Provision for doubtful accounts	24.3	32.2	6.6	7.4
Travel costs	2.6	2.5	1.0	1.0
Commissions to independent commercial distributors	59.6	58.6	-	-
Payments to Audiotex providers	1.2	1.3	1.1	1.1
Rents	26.3	27.1	14.9	15.5
Taxes, other than income tax	19.7	19.2	2.8	2.9
Transportation costs	2.6	3.0	1.1	0.9
Other	10.0	11.8	0.6	2.0
TOTAL	**320.5**	**326.8**	**99.5**	**93.0**

11. EARNINGS PER SHARE

Earnings per share (after income taxes) are calculated by dividing the profit attributable to the owners of the Company by the weighted average number of shares outstanding during the period including (for the diluted earnings per share) the number of shares corresponding to the stock option rights granted.

Earnings per share are analyzed as follows:

GROUP	01/01-31/03/2013	01/01-31/03/2012
Profit attributable to owners of the parent	167.5	308.1
Weighted average number of shares for basic earnings per share	490,150,389	490,150,389
Share options	16,119,283	17,769,886
Weighted average number of shares adjusted for the effect of dilutions	490,150,389	490,150,389
Basic earnings per share	0.3417	0.6286
Diluted earnings per share	0.3417	0.6286
(Earnings per share are in absolute amounts)		

For March 31, 2013 and 2012, the outstanding options did not have a dilutive effect on earnings per share and, therefore, are not included in the earnings per share calculation.

12. OPERATING SEGMENT INFORMATION

The following information is provided for the reportable segments, which are separately disclosed in the financial statements and which are regularly reviewed by the Group's chief operating decision makers. Segments were determined based on the Group's legal structure, as the Group's chief operating decision makers review financial information separately reported by the parent company and each of the Group's consolidated subsidiaries, or the sub groups included in the consolidation.

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

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

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

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

Three month period ended March 31, 2013	OTE	COSMOTE GROUP	ROMTELECOM	OTHER	TOTAL	Eliminations	GROUP
Revenue from external customers	366.8	493.0	140.4	45.2	1,045.4	-	1,045.4
Intersegment revenue	22.3	24.4	5.1	49.2	101.0	(101.0)	-
Total revenue	389.1	517.4	145.5	94.4	1,146.4	(101.0)	1,045.4
Operating expenses	(321.3)	(453.7)	(136.1)	(86.7)	(997.8)	100.2	(897.6)
Operating profit	69.1	64.4	13.1	8.4	155.0	(1.6)	153.4
Operating profit before depreciation, amortization, impairment and cost of early retirement program	137.3	176.6	39.5	18.0	371.4	(1.6)	369.8
Profit for the period	50.9	7.2	11.4	30.6	100.1	72.6	172.7

Three month period ended March 31, 2012	OTE	COSMOTE GROUP	ROMTELECOM	OTHER	TOTAL	Eliminations	GROUP
Revenue from external customers	411.1	568.2	154.5	46.4	1,180.2	-	1,180.2
Intersegment revenue	30.1	42.8	5.7	60.3	138.9	(138.9)	-
Total revenue	441.2	611.0	160.2	106.7	1,319.1	(138.9)	1,180.2
Operating expenses	(373.6)	(503.2)	(150.5)	(96.8)	(1,124.1)	139.7	(984.4)
Operating profit	67.1	105.2	13.8	10.7	196.8	-	196.8
Operating profit before depreciation, amortization, impairment and cost of early retirement program	141.6	217.1	40.4	20.9	420.0	(0.6)	419.4
Profit for the period	222.7	65.9	15.0	9.6	313.2	1.9	315.1

13. RELATED PARTY DISCLOSURES

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

The OTE 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 40% 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, and provides services to them. Furthermore, OTE grants/ receives loans to/ from these related parties, receives dividends and pays dividends.

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

	01/01-31/03/2013		01/01-31/03/2012	
	Sales OTE	Purchases OTE	Sales OTE	Purchases OTE
COSMOTE group of companies	18.0	15.0	22.3	24.3
OTE INTERNATIONAL INVESTMENTS LTD	0.2	0.9	0.1	0.9
HELLAS-SAT	0.1	0.2	0.1	0.3
COSMO-ONE	-	0.1	-	0.1
VOICENET	0.5	0.5	0.6	0.8
HELLASCOM	-	1.7	-	1.9
OTE SAT – MARITEL	0.2	0.4	0.2	0.3
OTE PLUS	0.1	9.6	0.1	7.7
OTE ESTATE	0.1	13.4	0.2	13.8
OTE-GLOBE	3.1	13.6	6.5	17.3
OTE ACADEMY	-	1.2	-	1.5
DT	-	0.1	-	-
TOTAL	**22.3**	**56.7**	**30.1**	**68.9**

OTE's dividend income from related parties for the first three months of 2013 amounted to Euro 0.7 from HELLAS-SAT.

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

	01/01-31/03/2013		01/01-31/03/2012	
	Group's Sales	Group's Purchases	Group's Sales	Group's Purchases
DEUTSCHE TELEKOM group of companies (except for OTE Group)	4.1	6.4	4.2	3.4
TOTAL	**4.1**	**6.4**	**4.2**	**3.4**

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

	Finance expense OTE	
	01/01-31/03/2013	01/01-31/03/2012
OTE PLC	32.0	29.7
TOTAL	**32.0**	**29.7**

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

	31/03/2013		31/12/2012	
	Amounts owed to OTE	Amounts owed by OTE	Amounts owed to OTE	Amounts owed by OTE
COSMOTE group of companies	37.7	84.8	47.0	93.1
OTE INTERNATIONAL INVESTMENTS LTD	0.2	0.6	0.2	1.4
HELLAS-SAT	n/a	n/a	0.4	0.5
COSMO-ONE	-	0.3	-	0.3
VOICENET	0.7	0.7	0.6	0.8
HELLASCOM	-	2.5	0.1	2.9
OTE SAT – MARITEL	1.2	3.7	1.0	3.3
OTE PLUS	0.4	12.1	0.4	14.3
OTE ESTATE	0.9	13.7	1.0	13.5
OTE-GLOBE	14.3	48.7	28.9	59.3
OTE ACADEMY	0.5	0.5	0.5	0.6
ROMTELECOM	0.2	0.2	0.2	0.2
DEUTSCHE TELEKOM group of companies (except for OTE Group)	-	0.5	-	0.6
TOTAL	**56.1**	**168.3**	**80.3**	**190.8**

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:

	31/3/2013		31/12/2012	
(amounts in millions of Euro)	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)	13.4	50.6	12.9	48.2
TOTAL	**13.4**	**50.6**	**12.9**	**48.2**

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

	Amounts owed by OTE	
	31/03/2013	31/12/2012
OTE PLC	1,676.9	1,565.1
TOTAL	**1,676.9**	**1,565.1**

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

Fees to the members of the Board of Directors and OTE's key management personnel amounted to Euro 1.0 for the first three months of 2013.

As of March 31, 2013, 2,756,529 options under OTE's share based payment plan have been granted to the Company's key management personnel.

14. SHARE OPTION PLAN

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

	01/01-31/03/2013		01/01-31/12/2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the period	16,220,885	11.91	17,829,196	11.41
Forfeited / Canceled	(101,602)	6.67	(1,608,311)	14.65
Outstanding at the end of the period	16,119,283	11.95	16,220,885	11.92
Exercisable at the end of the period	10,505,193	15.33	10,529,883	15.32

The fair value is reflected in the income statement during the vesting period. An amount of Euro 0.4 and Euro 0.1 was charged to the consolidated and the separate income statement of the first three months of 2013, respectively and are recorded in the line "Payroll and employee benefits" with a corresponding entry in the Share Premium.

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, 2012, except for the following:

Sparrowhack International Channels Ltd: With respect to the claim that Sparrowhack International Channels Ltd filed against OTE, on January 25, 2013, the parties arranged a Case Management Conference with the judge to agree on the next steps of the trial and agreed to attempt to resolve the claim by mediation. On March 22, 2013, the parties concluded the conducted mediation with a settlement agreement, whereby OTE agrees to pay to Sparrowhack International Channels Ltd the amount of Euro 1.95, until May 15,2013, whereas the latter finally and fully releases OTE from any and all claim and cause of action and will request the stay (pause) of the court proceedings thereupon.

16. ADJUSTMENTS AND RECLASSIFICATIONS

Due to the amendment of IAS 19 regarding the immediate recognition of past service cost, OTE adjusted the profit, equity and provision for staff retirement indemnities in prior years as follows:

	31/03/2012	
PROFIT FOR THE PERIOD	GROUP	COMPANY
Profit before the adoption of the amended IAS 19	313.6	221.2
Effect of the amended IAS 19	1.9	1.9
Adjustment of income taxes	(0.4)	(0.4)
Profit after the adoption of the amended IAS 19	**315.1**	**222.7**

	GROUP		COMPANY	
EQUITY	31/12/2012	1/1/2012	31/12/2012	1/1/2012
Equity before the adoption of the amended IAS 19	2,013.8	1,757.3	2,777.8	3,145.5
Effect of the amended IAS 19	(31.2)	(25.6)	(31.2)	(25.6)
Change in deferred tax assets recognized in the income statement	6.2	5.1	6.2	5.1
Equity after the adoption of the amended IAS 19	**1,988.8**	**1,736.8**	**2,752.8**	**3,125.0**

	31/12/2012	
PROVISION FOR STAFF RETIREMENT INDEMNITIES	GROUP	COMPANY
Provision before the adoption of the amended IAS 19	257.5	223.7
Effect of the amended IAS 19	31.2	31.2
Provision after the adoption of the amended IAS 19	**288.7**	**254.9**

In the consolidated statement of financial position of 2012, an amount of Euro 42.6 has been reclassified from "Other current liabilities" to "Trade accounts payable" for better presentation.

In the consolidated and separate statements of financial position of 2012, an amount of Euro 2.7 has been reclassified from "Trade receivables" to "Other current assets" for better presentation.

17. EVENTS AFTER THE FINANCIAL POSITION DATE

The most significant events after March 31, 2013, are as follows:

AGREEMENT FOR THE SALE OF GLOBUL AND GERMANOS TELECOM BULGARIA A.D.

On April 26, 2013, the Group announced the signing of an agreement to sell its 100.00% stake in GLOBUL and in GERMANOS TELECOM BULGARIA A.D. to Telenor Mobile Communications AS, the Norwegian telecom operator. The agreed consideration for the sale reached to Euro 717 (enterprise value), and will be adjusted for the net debt and the changes in the working capital of the two entities at the date the transaction is completed. The transaction is expected to be completed within the next months, after all necessary procedures have been finalized and is subject to approval by the competent authorities.

LOANS

GROUP

Prepayments of loans

In April 2013 OTE PLC proceeded with partial prepayments of a total nominal amount Euro 21.0 under the April 2014 Notes. The remaining balance of nominal amount of Euro 382.0 that matures on April 8, 2014 was reclassified to the short-term portion of long-term borrowings.

OTE

Prepayments of intercompany loans granted from OTE PLC

In April 2013 OTE proceeded with partial prepayments of total nominal amount of Euro 21.0 under the Euro 500 (initial nominal value) intercompany loan. The remaining balance of nominal amount of Euro 382.0 that matures on April 8, 2014 was reclassified to the short-term portion of long-term borrowings.

VES COSMOTE

On April 5, 2013, COSMOTE announced a Voluntary Exit Scheme addressed to employees who are meeting certain criteria. The deadline for the submission of the applications was on April 19, 2013. The estimated cost amounts to approximately Euro 4.5 and will be recorded in the consolidated income statement of the first half of 2013, in the line "Cost of early retirement program".

COSMOTE LEGAL CASE

VIVA electronic Communications single-member Ltd filed a lawsuit against COSMOTE before the Athens multi-member civil Court of First Instance, claiming an amount of Euro 10.6 as damages for the allegedly illegal refusal by COSMOTE to allow to the claimant the provision of 2-step-dialing services through its network. The trial date has been set for April 29, 2015.