



## HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

Greek General Commercial Registry (T.E.M.H.) 1037501000

REGISTERED OFFICE: 99 KIFISSIAS AVE - 15124 MAROUSI

FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM JANUARY 1, 2017 TO DECEMBER 31, 2017

(Published in accordance with law 2190/1920, art.135 for Companies preparing annual consolidated and separate financial statements, in accordance with I.F.R.S.)

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.

Supervising Authority: Ministry of Economy, Infrastructure and Tourism, Corporate and Greek General Commercial Registry Division

Company's Web Site: [www.cosmote.gr](http://www.cosmote.gr)

Date of approval of financial statements from the Board of Directors: February 21, 2018

The Certified Auditor: Despina Marinou (SOEL REG: No 17681)

Auditing Company: PricewaterhouseCoopers S.A. Certified Auditors - Accountants (SOEL REG: No 113)

Type of Auditor's Opinion: Unqualified

Composition of the Board of Directors:

- |   |  |
|---|--|
| 1. Michael Tsamaz, Chairman and Managing Director, Executive Member             | 7. Robert Hauber, Non - Executive Member         |
| 2. Konstantinos Christopoulos, Vice-Chairman, Independent, Non-Executive Member | 8. Andreas Paspalas, Non - Executive Member      |
| 3. Charalampos Mazarakis, Executive Member                                      | 9. Panagiotis Skelofylax, Non - Executive Member |
| 4. Srinivasan Gopalan, Non - Executive Member                                   |  |
| 5. Panagiotis Tabourlos, Independent, Non - Executive Member                    |  |
| 6. Raphael Kübler, Non - Executive Member                                       |  |

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

	GROUP		COMPANY	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
<b>ASSETS</b>				
Property, plant and equipment	2,740.9	2,852.5	1,239.2	1,225.0
Intangible assets	1,474.9	1,458.7	259.9	200.8
Other non-current assets	509.2	501.6	3,699.2	3,781.6
Inventories	91.3	95.9	12.4	23.5
Trade receivables	719.7	730.5	357.1	348.7
Other current assets	269.5	316.8	171.3	109.7
Cash and cash equivalents	1,297.7	1,585.6	185.6	511.6
<b>TOTAL ASSETS</b>	<b>7,102.2</b>	<b>7,671.6</b>	<b>5,924.7</b>	<b>6,200.9</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	1,387.1	1,387.1	1,387.1	1,387.1
Other equity items	957.3	968.9	1,571.1	1,415.6
Equity attributable to shareholders of the parent (a)	2,344.4	2,356.0	2,958.2	2,802.7
Non-controlling interests (b)	245.0	295.7	-	-
<b>Total equity (c) = (a) + (b)</b>	<b>2,589.4</b>	<b>2,651.7</b>	<b>2,958.2</b>	<b>2,802.7</b>
Long-term borrowings	1,276.2	1,341.0	1,004.4	1,348.5
Provisions / Other non-current liabilities	515.6	538.7	528.9	489.9
Short-term borrowings	764.5	184.1	541.4	478.5
Other current liabilities	1,956.5	2,256.1	893.8	1,081.3
<b>Total liabilities (d)</b>	<b>4,512.8</b>	<b>4,919.9</b>	<b>2,965.5</b>	<b>3,398.2</b>
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>	<b>7,102.2</b>	<b>7,571.6</b>	<b>5,924.7</b>	<b>6,200.9</b>

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

	GROUP		COMPANY	
	01.01-31.12.2017	01.01-31.12.2016	01.01-31.12.2017	01.01-31.12.2016
<b>Cash flows from operating activities</b>				
Profit before tax	174.5	252.4	318.8	179.7
Adjustments for:				
Depreciation, amortization and impairment	937.0	881.4	324.9	306.4
Costs related to voluntary leave schemes	51.8	49.6	27.7	35.8
Provision for staff retirement indemnities	9.8	12.1	9.0	10.0
Provision for doubtful accounts	2.1	1.8	2.1	1.8
Foreign exchange differences, net	106.3	89.9	20.5	20.5
Interest income	12.2	4.3	0.8	(2.5)
Dividend income	(1.6)	(2.2)	(2.5)	(2.3)
(Gains) / losses from investments and other financial assets - Impairment	-	-	(126.6)	(15.1)
- Interest and related expenses	(19.0)	(18.3)	41.1	57.1
Working capital adjustments:	139.4	149.4	89.2	104.5
Decrease / (increase) in inventories	1.8	1.2	11.1	(5.4)
Decrease / (increase) in receivables	(63.6)	(164.3)	(16.0)	(17.0)
(Decrease) / increase in liabilities (except borrowings)	(128.2)	76.0	(44.1)	56.9
Plus / (Minus):				
Payment for voluntary leave schemes	(65.3)	(53.9)	(38.6)	(41.2)
Payment of staff retirement indemnities and youth account, net of employees' contributions	(12.6)	(15.2)	(12.2)	(14.9)
Interest and related expenses paid	(132.1)	(134.9)	(92.5)	(93.6)
Income tax paid	(211.9)	(104.2)	(129.7)	(15.1)
<b>Net cash flows from operating activities (a)</b>	<b>800.6</b>	<b>1,025.1</b>	<b>383.0</b>	<b>579.2</b>
<b>Cash flows from investing activities</b>				
Acquisition of subsidiaries	-	-	-	(3.8)
Loans granted	-	-	-	(14.7)
Sale or maturity of financial assets	0.2	2.2	-	-
Repayment of loans receivable	6.2	7.3	7.3	7.3
Purchase of property, plant and equipment and intangible assets	(919.9)	(653.0)	(409.9)	(311.4)
Movement in restricted cash	(0.8)	(0.8)	-	-
Payments related to disposal of subsidiaries / investments	-	-	(4.9)	-
Interest received	1.6	2.2	2.5	2.3
Dividends received	-	-	55.6	14.5
<b>Net cash flows used in investing activities (b)</b>	<b>(912.7)</b>	<b>(647.0)</b>	<b>(344.5)</b>	<b>(306.8)</b>
<b>Cash flows from financing activities</b>				
Share option plans	(0.3)	-	(0.3)	-
Proceeds from loans granted and issued	150.0	389.0	193.6	739.0
Repayment of loans	(242.7)	(454.5)	(479.7)	(742.2)
Dividends paid to Company's owners	(78.3)	(48.9)	(78.3)	(48.9)
<b>Net cash flows used in financing activities (c)</b>	<b>(171.1)</b>	<b>(114.4)</b>	<b>(364.5)</b>	<b>(52.1)</b>
<b>Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)</b>	<b>(283.2)</b>	<b>263.7</b>	<b>(326.0)</b>	<b>221.3</b>
<b>Cash and cash equivalents, at the beginning of the year</b>	<b>1,585.6</b>	<b>1,322.5</b>	<b>611.6</b>	<b>290.3</b>
Net foreign exchange differences	(4.7)	(0.6)	-	-
<b>Cash and cash equivalents, at the end of the year</b>	<b>1,297.7</b>	<b>1,585.6</b>	<b>185.6</b>	<b>511.6</b>

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

	GROUP		COMPANY	
	01.01-31.12.2017	01.01-31.12.2016	01.01-31.12.2017	01.01-31.12.2016
Total revenues	3,857.1	3,908.1	1,583.8	1,568.5
<b>Profit before taxes, investment and financial activities</b>	<b>305.5</b>	<b>385.6</b>	<b>320.8</b>	<b>321.4</b>
Profit before tax	174.5	252.4	318.8	179.7
<b>Profit after tax (A)</b>	<b>22.8</b>	<b>84.0</b>	<b>226.6</b>	<b>98.0</b>
Attributable to:				
- Owners of the parent	67.2	140.0	226.6	98.0
- Non-controlling interests	(44.4)	(56.0)	-	-
<b>Other comprehensive income / (loss) after tax (B)</b>	<b>(6.9)</b>	<b>7.1</b>	<b>7.1</b>	<b>(1.2)</b>
<b>Total comprehensive income after tax (A) + (B)</b>	<b>15.9</b>	<b>91.1</b>	<b>233.7</b>	<b>96.8</b>
Attributable to:				
- Owners of the parent	66.6	147.6	233.7	96.8
- Non-controlling interests	(50.7)	(56.5)	-	-
<b>Basic earnings per share (in €)</b>	<b>0.1375</b>	<b>0.2884</b>		
Proposed dividend per share (in €)			0.35	0.16
<b>Profit before taxes, investment, financial activities and depreciation, amortization and impairment</b>	<b>1,242.5</b>	<b>1,267.0</b>	<b>645.7</b>	<b>627.8</b>

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

	GROUP		COMPANY	
	2017	2016	2017	2016
<b>Total equity at the beginning of the year (01.01.2017 and 01.01.2016)</b>	<b>2,651.7</b>	<b>2,609.2</b>	<b>2,802.7</b>	<b>2,754.5</b>
Total comprehensive income after tax	15.9	91.1	233.7	96.8
Dividend distribution	(78.2)	(48.9)	(78.2)	(48.9)
Share option plans	-	0.3	-	0.3
<b>Total equity at the end of the year (31.12.2017 and 31.12.2016)</b>	<b>2,589.4</b>	<b>2,651.7</b>	<b>2,958.2</b>	<b>2,802.7</b>

### ADDITIONAL DATA AND INFORMATION

- The companies which are included in the annual 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 8 of the financial statements.
- 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 22 of the financial statements.
- 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 December 31, 2017 for litigations and other risks, as well as for unaudited tax years or pending tax cases are as follows: a) for the Group € 124.1 million and € 27.9 million respectively and b) for the Company € 109.3 million and € 16.1 million respectively. The most significant outstanding legal cases are presented in Note 28 of the financial statements.
- Number of employees at the end of the year: Group 20,305 (31.12.2016: 21,086), Company 8,389 (31.12.2016: 8,405).
- Other comprehensive income / (loss) after tax for the year 2017 which was recognized directly in equity for the Group, relates to actuarial gains € 7.9 million (net of deferred taxes), foreign currency translation € (15.2) million and the net movement in available for sale financial assets € 0.4 million (net of deferred taxes). As for the Company, it relates to actuarial gains € 6.8 million (net of deferred taxes) and the net movement in available for sale financial assets € 0.3 million (net of deferred taxes).
- 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 holds a 40.00% interest in OTE as of December 31, 2017.

- 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 year 2017, amounted to € 141.9 million and € 244.0 million, respectively. Other operating income for the year 2017 amounted to € 3.0 million. Finance income and expense for the year 2017 amounted to € 1.1 million and € 60.9 million respectively. Dividend income from related parties amounted to € 126.6 million. The outstanding balance of receivables and payables from / to related parties as of December 31, 2017 deriving from current transactions amounted to € 195.3 million and € 202.6 million, respectively. The outstanding balance of loans receivable from and payable to related parties amounted to € 29.1 million and € 131.6 million, respectively. Fees to the members of the Board of Directors and the Company's key management personnel compensation charged in the Income Statement for the year 2017, amounted to € 7.0 million. At group level, sales and purchases of goods and services between related parties which are not eliminated, for the year 2017 amounted to € 45.7 million and € 36.8 million, respectively. Other operating income, between related parties which is not eliminated, for the year 2017 amounted to € 0.4 million. The outstanding balance of receivables and payables, between related parties which are not eliminated, as of December 31, 2017 resulting from operating transactions amounted to € 29.8 million and € 83.7 million, respectively.
- Basic earnings per share were calculated based on the weighted average number of shares outstanding.
- Reclassifications have been made for better presentation with no impact on the equity or the results of operations of the Group and the Company. These reclassifications are presented in Note 30 of the financial statements.
- Significant events after December 31, 2017 are disclosed in Note 32 of these financial statements.

Marousi, February 21, 2018

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