

OTE

OTE in Focus

OTE: The largest telecoms player in
Europe's fastest-growing region

March 2006

OTE

- | Corporate Profile
- | Financial and Operational Highlights
- | Outlook
- | Appendices

OTE

| Corporate Profile

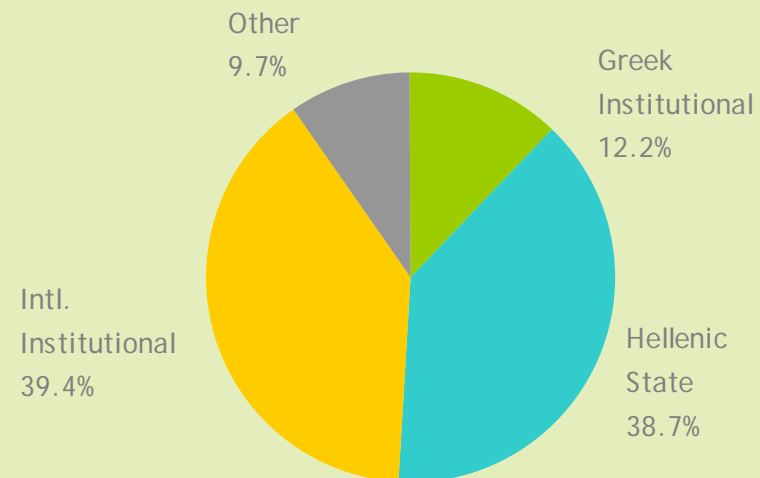
OTE

OTE Group profile

OTE Overview

- Leading full-service telecommunications operator
- Group revenue approx. €5.5 billion (FY 2005)
- Listed on Athens (HTO GA), London (OTES LI), and New York Stock Exchange (OTE)
- Market capitalization: over € 8.7 billion (March 2005)

Shareholder Structure (31 Dec 2005)



OTE

Key Financial Figures

US GAAP € millions	2003	2004	2005 (unaudited)
Equity	3,590.3	3,422.6	3,267.8
Net Debt	2,679.7	2,313.4	1,935.5
Total Assets	10,424.9	10,217.6	10,836.9
Revenues	4,914.3	5,184.0	5,471.0
Operating Income before D&A	1,928.6	1,661.0	1,056.0
Net Income	410.7	171.3	(261.9)
CAPEX as % of Revenues	19.9%	16.3%	12.4%
EPS	0.84	0.35	(0.60)
Market Cap (EoP)	5,282.5	6,494.4	8,830.5

OTE

Voice, Mobile and Data Leader in Southeast Europe

BULGARIA

Challenger

Mobile market share: 40%

Customers (000): 2,394

GREECE

Incumbent/ Leader

Fixed-line market share
(voice): 73%

Total Lines (000): 6,344

Internet Subscribers (000): 413

ISP market share: 42%

Mobile market share: 38%

Customers (000): 4,600

FYROM

Challenger

Mobile market share: 30.5%

Customers (000): 384

ALBANIA

Dominant Leader

Mobile market share: 51%

Customers (000): 781.5

ROMANIA

Incumbent/ Leader

Fixed-line market share (voice):
90%

Internet Subscribers(000): 1,200

ISP market share: 43%

Mobile was re-launched
on December 2005

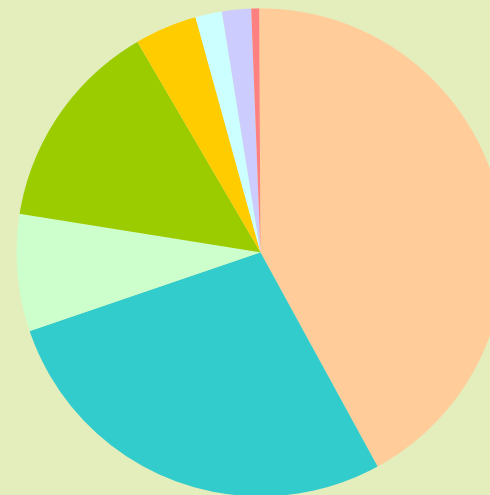


OTE is also present in
Armenia and Serbia

OTE Group Revenue

Revenue Mix by Region (12M 05)

OTE GROUP GEOGRAPHICAL ALLOCATION OF REVENUE
(12M 2005)



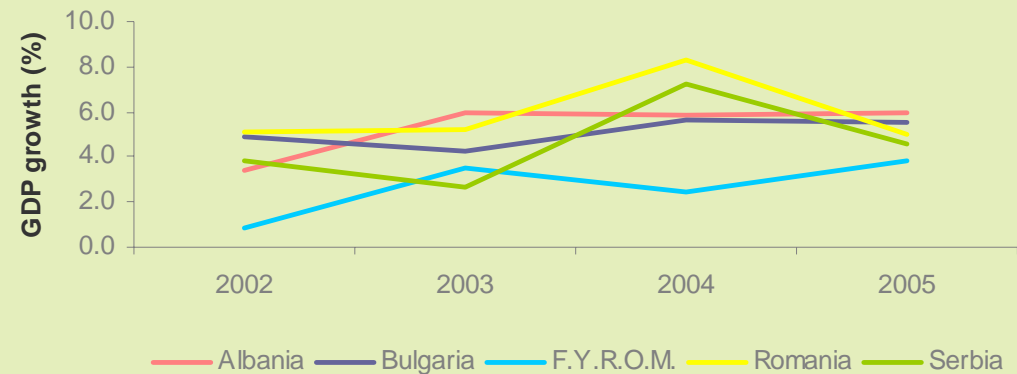
- Greece (OTE SA)
- Greece (Cosmote)
- Greece (Rest OTE Group)
- Romania (RomTelecom)
- Bulgaria (Globul)
- Albania (AMC)
- Armenia (ArmenTel)
- FYROM

- Fully integrated operator
- Large exposure to mobile assets
- Additional growth upside from leading positions in SEE region

OTE

Why Southeast European exposure matters

- Southeast Europe comprises of series of rapidly developing countries whose GNP growth is outpacing the rest of the world
- Dynamic, well-educated SE European populations are embracing market economics
- Greece and Greek companies have long enjoyed close economic ties with many SE European countries
- Outdated infrastructures inherited from Communist regimes are being replaced by state-of-the-art network technologies
- Bulgaria and Romania are scheduled to enter the EU in 2007



OTE

OTE Group Strategy 2005-2007

Greek Fixed Line

- Contain revenue erosion
 - Advanced product and services meeting customer demands
 - Improve customer relationships
- Drastically reduce cost base:
 - Productivity - bring number of lines per employee up to best practice
 - Cut Operating Expenses

Greek Mobile

- Retain leadership in maturing Greek market

International Mobile

- Leverage broad footprint in South Eastern Europe
- Accelerate development and profitability

Romanian Fixed Line

- Complete reorganization and transformation plan
- Migrate to new generation network

Group

- Exploit synergies from recent corporate streamlining initiatives
- Cultivate uniform OTE Group culture

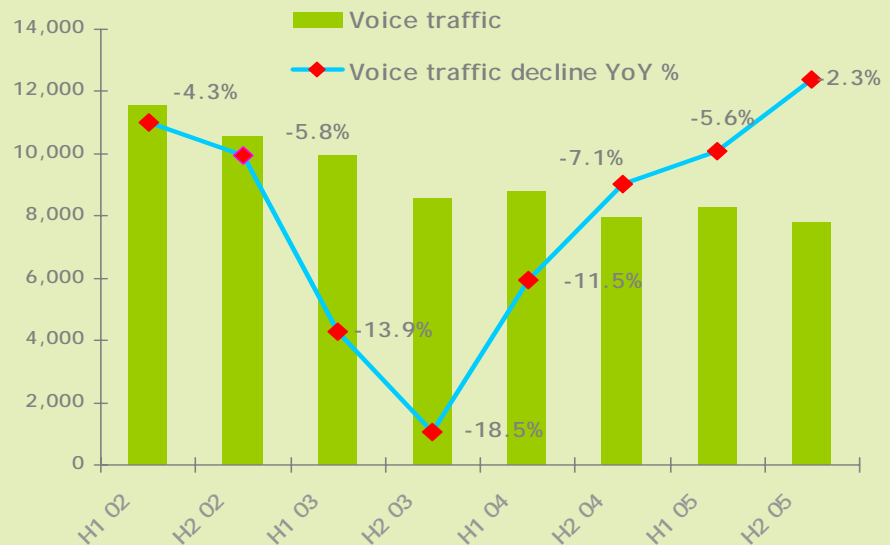
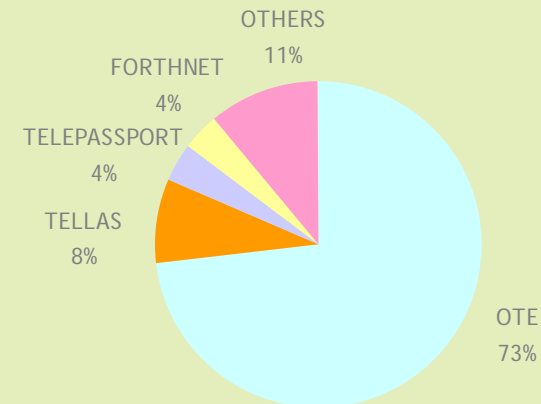
OTE

| Financial & Operational Highlights

OTE

Greek Fixed Line Competitive Environment

- Greek market deregulated since 2001
- Significant traffic erosion in 2003 and 2004 due to:
 - Aggressive competition from new entrants
 - Fixed-to-mobile substitution
 - Regulatory decisions
- Slowdown in erosion lately due to:
 - New OTE discount packages
 - Lack of investment from alternative carriers
 - Uncertain regulatory environment
- Market share loss due to heightened competition



OTE

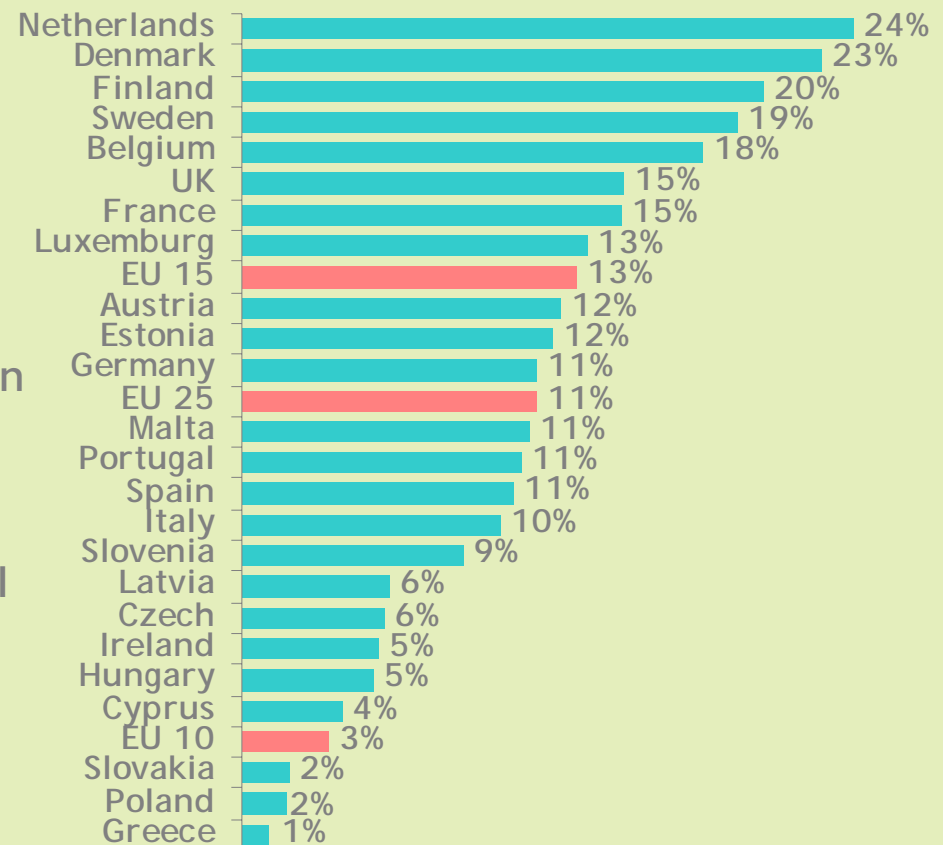
Greek Fixed-Line Broadband Penetration

- Broadband penetration lowest of all European markets ...

- ...combined with absence of competition from cable...

- ...creates significant untapped potential

Broadband penetration rate as % of population



October 2005

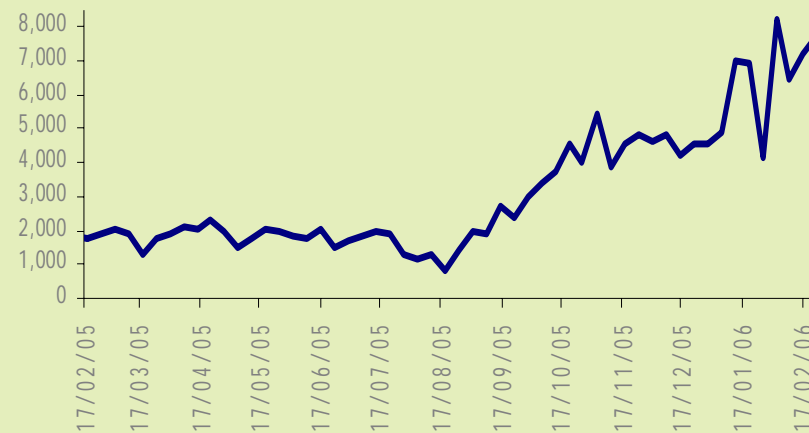
* Source: EU 11th Implementation report

OTE

Greek Telephony Development: Broadband gaining momentum

- Broadband take-up finally gaining pace
- Since September 20, when prices for various ADSL offerings were reduced from 20% to 49%, weekly additions more than doubled
- Increased awareness also fuelling market growth
- Over 220,000 ADSL subscribers at end-March 2006 (from 43,800 on January 1, 2005)
- OTE expects size of broadband market to double in size each year over the next two years

Weekly ADSL subscriber additions



'05/'06 Voluntary Retirement Plan

Under OTE's Voluntary Retirement Plan which was finalized in October 2005:

- A total of approximately 5,500 employees will leave until October 2006
 - ✓ 635 employees under the first tranche of the Voluntary Plan
 - ✓ 4,896 employees under the second tranche of the Plan
- The total accounting cost of the VRP was €939.6 million.
- The Voluntary Retirement Plan will be financed with:
 - ✓ OTE cash flows
 - ✓ State contribution, subject to EU approval: Govt will contribute a 4% stake of OTE's share capital to pension fund

OTE

OTE Fixed Line Reorganization Plan

Actions

- Heavy investment in CRM & transformation of OTE from a technology-driven to a customer-centric organization
- Headcount reduction, restructuring & reorganization providing solid platform for change & planning
 - Headcount down from 18,545 at '01 year end to 14,741 at '05 year end
 - Complete overhaul of regional and divisional structures (from 12 to 4 regional divisions and from 58 to 28 regional departments)
 - Streamlined head-office organization (managerial positions down 30%)

Main Targets

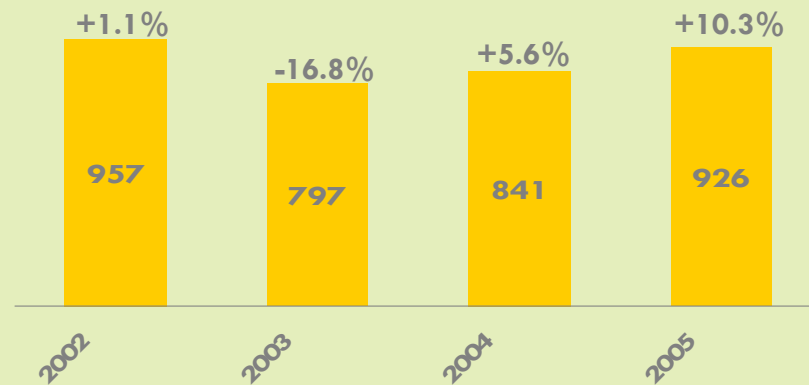
- Control Revenue erosion
- Operating expense reduction
- Improvement in customer satisfaction
- Reduction of organizational complexity

OTE

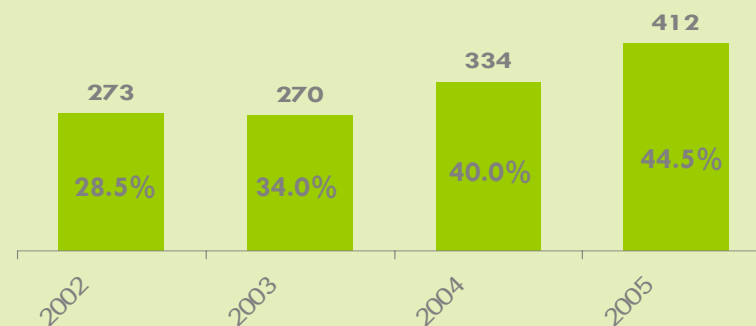
RomTelecom - Romania

- OTE Group owns 54% of RomTelecom
- Tariff rebalancing in 2004 and early 2005 led to revenue increase
- Euro-denominated pricing for domestic tariffs introduced in 2004, minimizing FX exposure
- Over the past two years RomTelecom has implemented an aggressive Opex reduction program
- ..leading to significantly improved operating margins

Revenue (€m) (Stand-Alone)

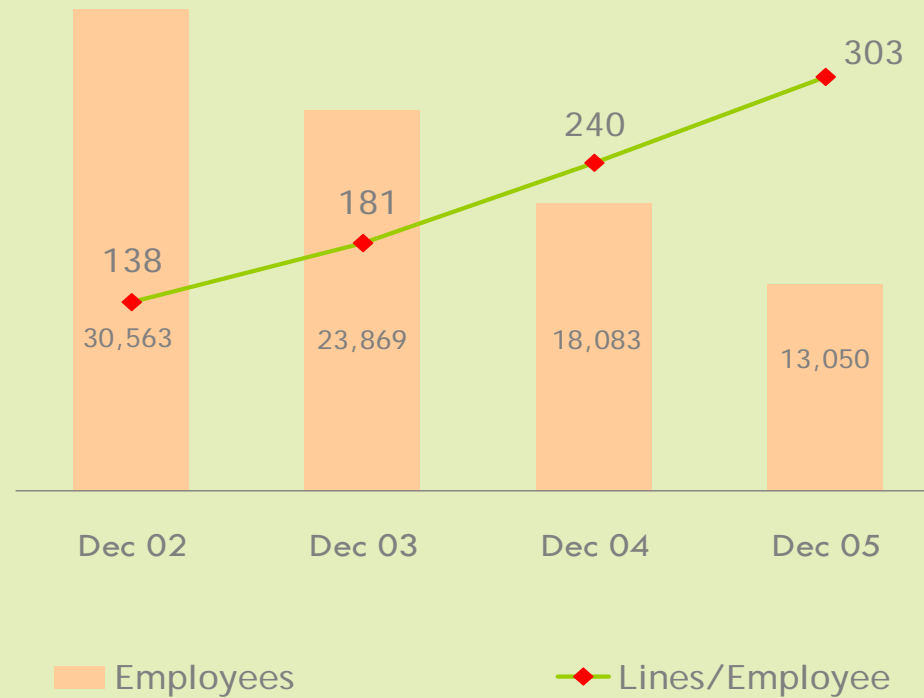


Operating Income Before DA and VRS (€ m) and Margin (%) (Stand-Alone)



RomTelecom - Romania

More than 50% headcount reduction since Dec 2002



OTE

COSMOTE Group profile

COSMOTE Overview

- Started operations in 1998 as the third mobile operator in Greece
- Leading mobile operator in Greece in terms of total and contract subscribers with market share of c.38%
- Listed on Athens (COSMO GA), London (CMBD LI) Stock Exchanges
- OTE owns c. 64.4% of COSMOTE
- Customer base grown from 4.5 million in 2003 to approx. 8 million (pro forma) in 2005

COSMOTE Group strategy

- Enhance growth profile
- Optimize maturity profile of operations
- Maximize operational efficiency to improve profitability margins
- Enhance value

OTE

COSMOTE Growth Profile

COSMOTE
Greece

- Mature operation with strong cash flows and improving profitability

AMC

- Continuing fast growth, high margins and positive cash flows

GLOBUL

- Strong revenue and profit growth, with significant further potential

COSMOFON

- New operation, with positive EBITDA and on turnaround path

COSMOTE
Romania

- Start up venture, with strong growth prospects

- Sustainable growth outlook

- Value creation dynamics

OTE

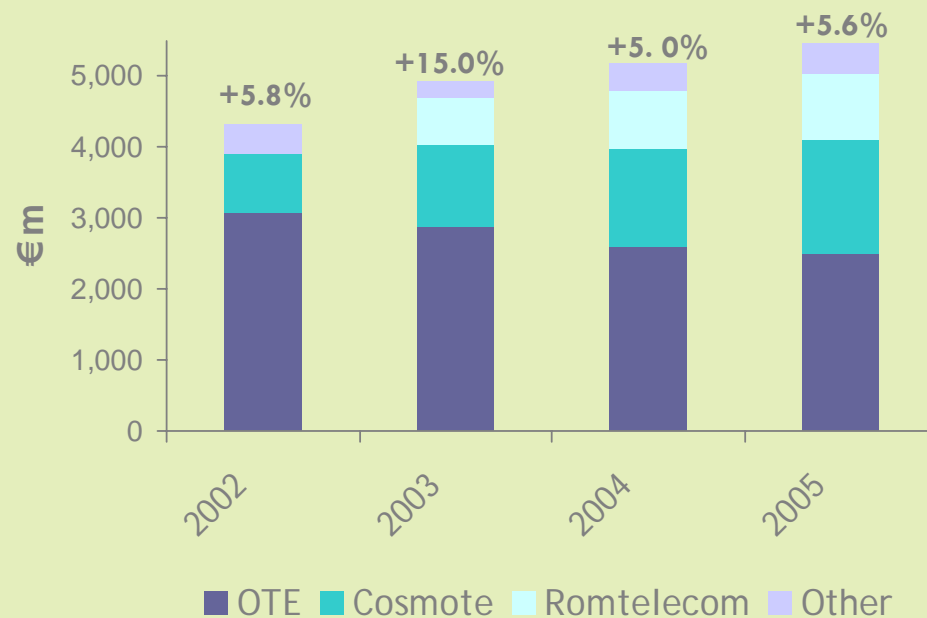
COSMOTE Key Financial Figures

IFRS € million	2004	2005 (unaudited)	% Diff
Equity	999.5	756.9	-24.3%
Net Debt	83.76	994.3	N/A
Total Assets	1,678.6	2,549.1	51.86%
Revenues	1,587.8	1,797.6	13.2%
Operating Income before D&A	675.1	754.5	11.8%
Net Income	309.1	339.9	10.0%
CAPEX as % of Revenues	13.06%	34.75%	21.69pp
EPS (€)	0.93	1.02	9.7%
Market Cap (EoP)	5,047	6,244	23.7%

OTE

OTE Group Trends

OTE Group Revenue Trends

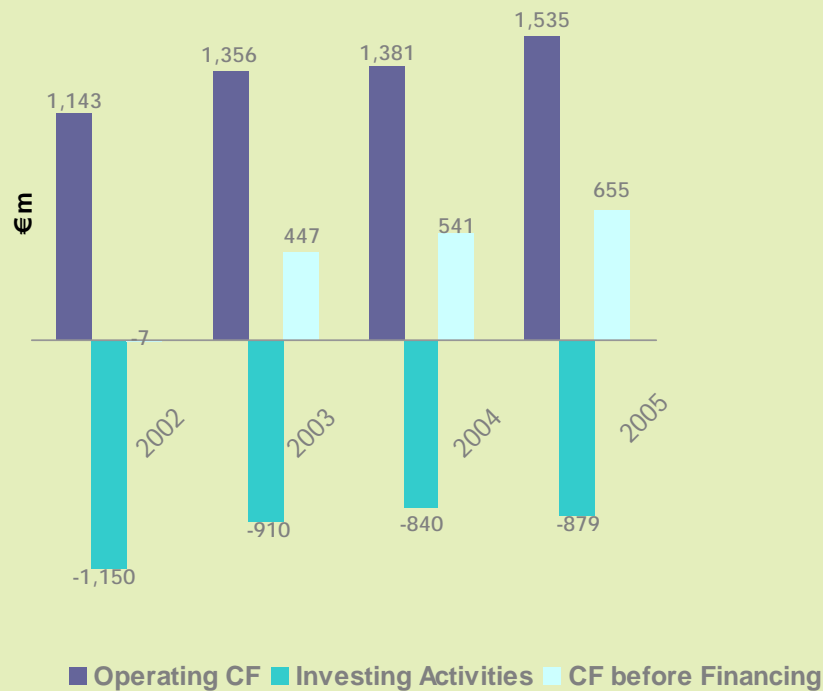


- Despite Greek fixed-line revenue erosion, Group revenues have posted consistent increases, fuelled by International Operations

OTE

OTE Group Trends

OTE Group Cash Flow Trends

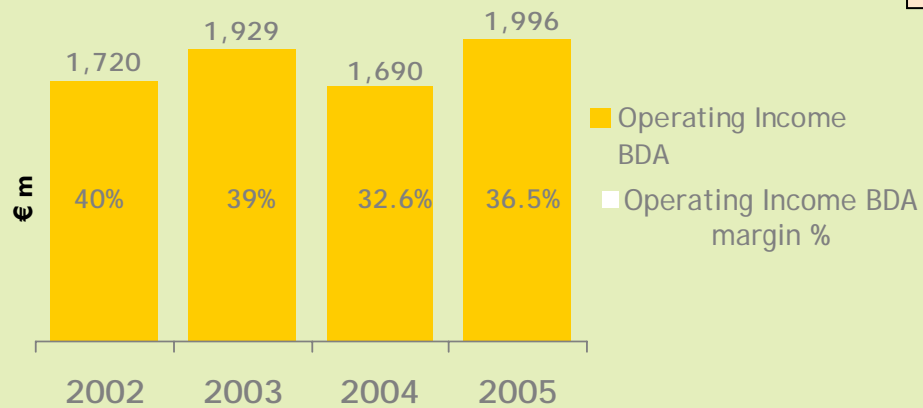
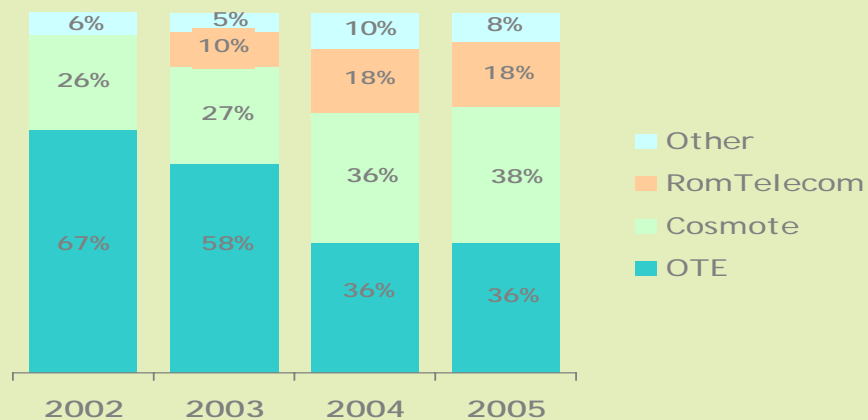


- OTE has achieved significant reduction in Capital Expenditure since 2002
- All procurement now passes through fully competitive tender, electronic auctions and other competitive process
- Entrance of new suppliers and increased competition between suppliers
- Horizontal expansion of procurement coverage gained by centralization
- This has enabled OTE to consistently improve Free Cash Flow since 2002

OTE

OTE Group Trends

Operating Income BDA* mix



Operating Income before D&A Trends

- Declining profitability in Greek Fixed Line ...
- ... and improved performance by Cosmote and RomTelecom ...
- ... have changed the earnings mix by segment

Operating Income before D&A Margin Trends

- Margins (excluding VRP) improved in 2005...
- ..from exceptionally low levels reached in FY04
- VRP in Greek Fixed Line and at RomTelecom will gradually improve margins

* 2005 Operating Income BDA in the above graphs do not include VRP impact

Conclusion and Outlook

- Greek Fixed Line
 - Reinvigorated commercial strategy to combat traffic erosion
 - Implementation of Voluntary Retirement Plan and resolute attack on cost base
 - Ambitious reorganization to transform the company
- Romanian Fixed Line
 - Accelerate implementation of restructuring plan
 - Protect revenue base as new products and services are rolled out
- Mobile Operations
 - Leverage benefits from combining Greek and international operations under single management
 - Re-launch CosmoRom

2005 Corporate Highlights

- **April 2005:** OTE and Cosmote agree to the transfer of GloBul and Cosmofon to Cosmote
- **April 2005:** OTE S.A.'s interest in Cosmote's share capital raised to 64.4%
- **July 2005:** Following an earlier agreement with the Union representatives, OTE management and employee representatives sign a collective agreement detailing implementation of the Voluntary Retirement Plan
- **August 2005:** OTE completes transfer of its international mobile operations to Cosmote
- **October 2005:** More than 5,500 OTE employees submit their applications to participate in the Voluntary Retirement Plan, for a take-up of more than 82%
- **October 2005:** OTE PLC exchanges part (€ 608 million) of its € 1.1 billion Guaranteed Notes due in 2007, for new 6 year Notes due in 2011
- **November 2005:** OTE increased its participation in OTEnet's share capital, to 94.6%

OTE

Appendix - Financial Highlights

US GAAP € millions	2004	2005 (unaudited)	% Diff
Operating Revenues	5,184.0	5,471.0	5.5%
Operating Income/Loss	637.9	2.6	-
Pre-tax Income	525.8	(20.4)	-
Net Income	171.3	(294.1)	-
Operating Income before D&A	1,661.0	1,056.0	-36.4%
Operating Income before D&A as % of Operating Revenues	32.0%	19.3%	-12.7 pp
CAPEX	843.6	680.0	-19.4%
CAPEX as % of Revenues	16.3%	12.4%	-3.9 pp

OTE

For more information please contact
OTE Investor Relations

Dimitris Tzelepis, Head of IR

Tel: +30 210 611 1574

Fax: +30 210 611 1030

or visit:

www.ote.gr/english/investorrelations