



# OTE 2002 Full- Year Results

## Conference Call

**February 27, 2003**



# Forward-looking Statements

Any statements contained in this document that are not historical facts are forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect the Company's future financial results are discussed more fully in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC"), including the Company's Annual Report on Form 20-F for 2000 filed with the SEC on July 15, 2002.

# Agenda



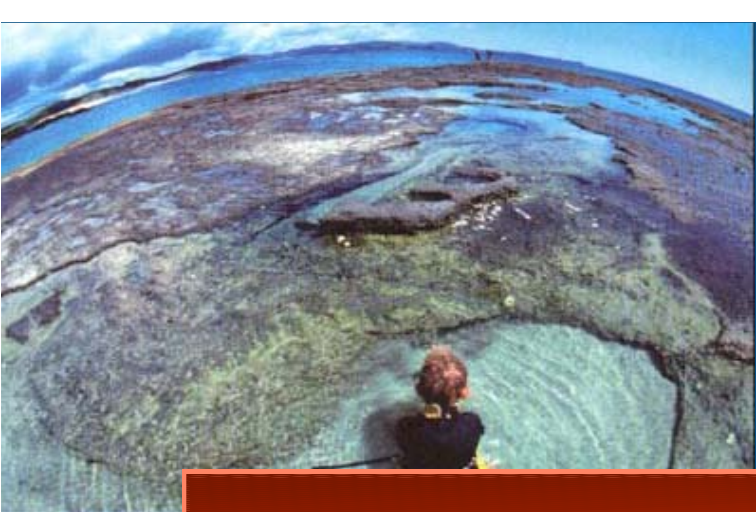
- **Highlights – *Lefteris Antonakopoulos***
- **Group Financial Performance – *Dimitris Kouvatsos***
- **Fixed Line – Customer Focus – *Soula Evans***
- **Outlook- *Lefteris Antonakopoulos***

# Highlights



- 2002 full-year revenues up 5.9% from 2001 (Q4 +0.8%)
  - Strong performance in mobile
  - Good resistance in fixed line, facing competition and economic slowdown
- EBITDA margin in line with forecasts
  - 40.0% full-year margin
  - Q4 Fixed Line EBITDA margin helped by cost-reduction efforts
- Net income lower due to non-cash provisions
- Debt-to-EBITDA among lowest in Europe telecoms
- Strong cash flow from operations
- Capex past peak

# Key Figures



€ million, year to Dec. 31,

	2002	2001	% Diff
Operating Revenues	4,312.5	4,072.5	+5.9
EBITDA	1,725.8	1,708.0	+1.0
<i>EBITDA margin</i>	<i>40.0%</i>	<i>41.9%</i>	<i>-1.9pp</i>
EBIT	1,014.8	1,118.2	-9.2
Net Income	358.1	395.2	-9.4
Basic EPS (€/share)	0.7300	0.8049	-9.3
Capex/Sales	24.1%	40.2%	-16.1pp
Headcount	17,109	18,001	-5.0

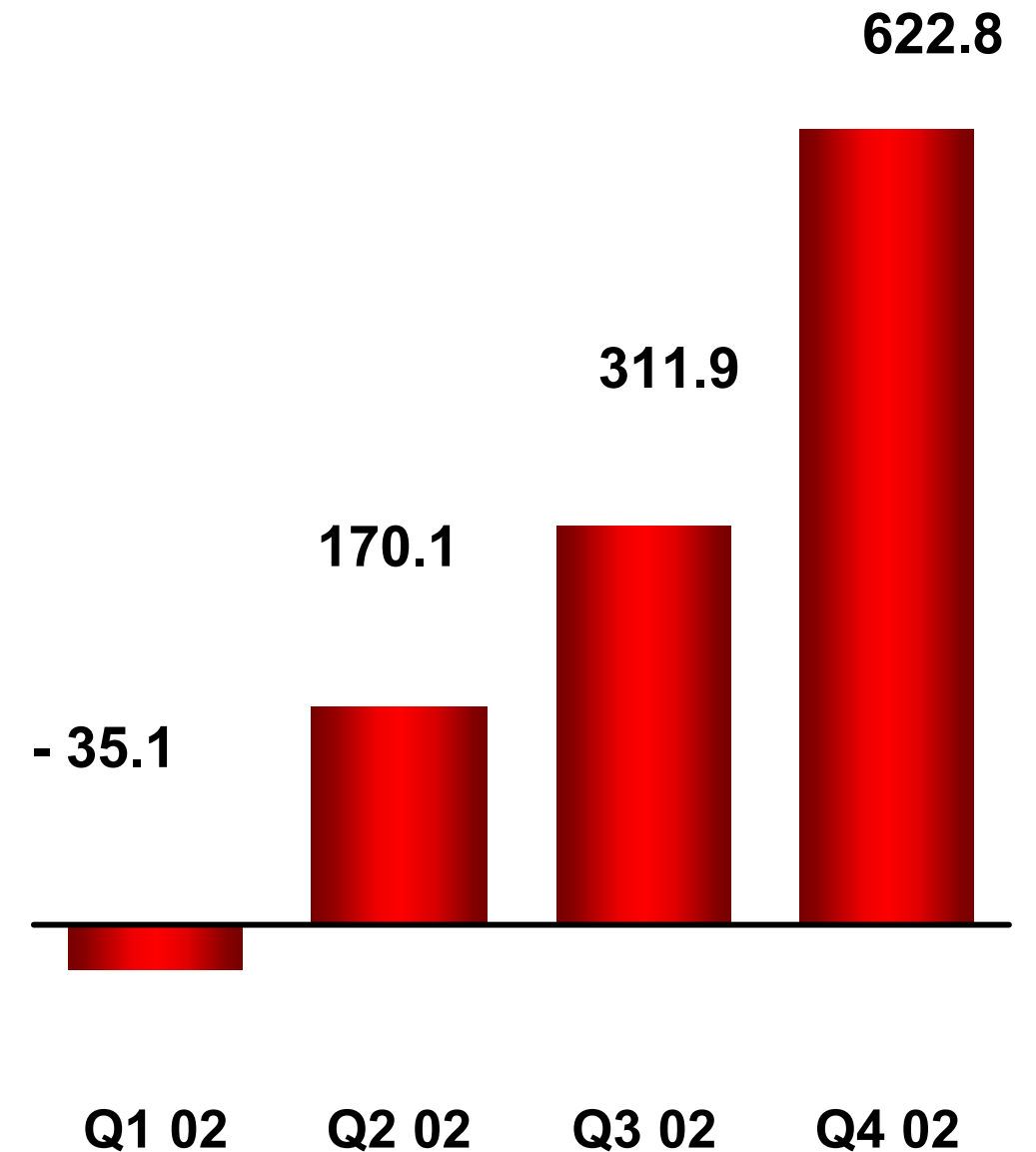
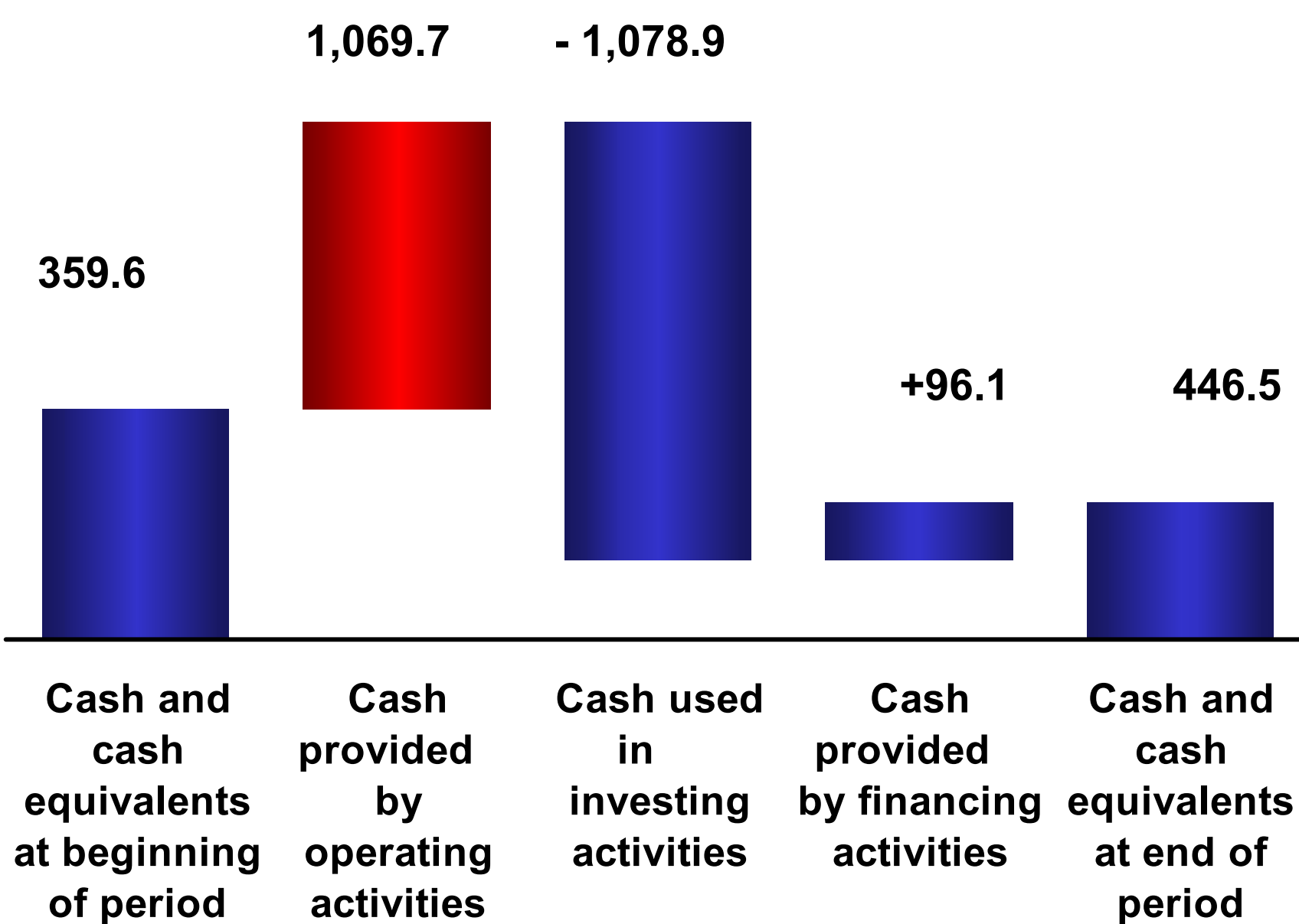




# Key Financial Figures

**Evolution of cash position**  
12 mos. to Dec. 31, 2002, € million

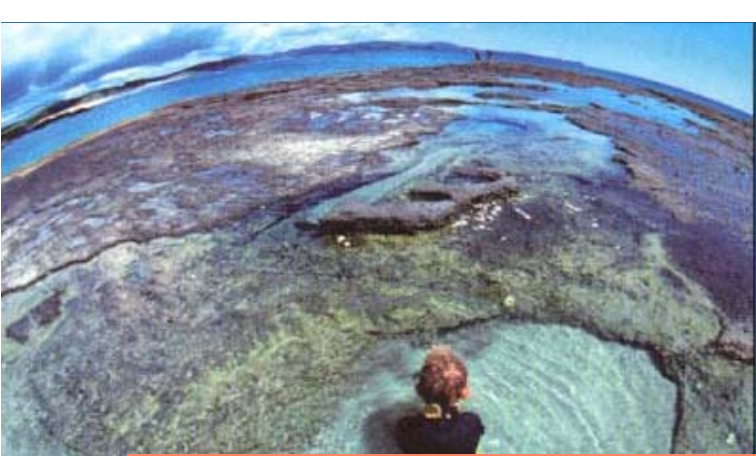
**Cash provided by operating activities**  
2002, € million



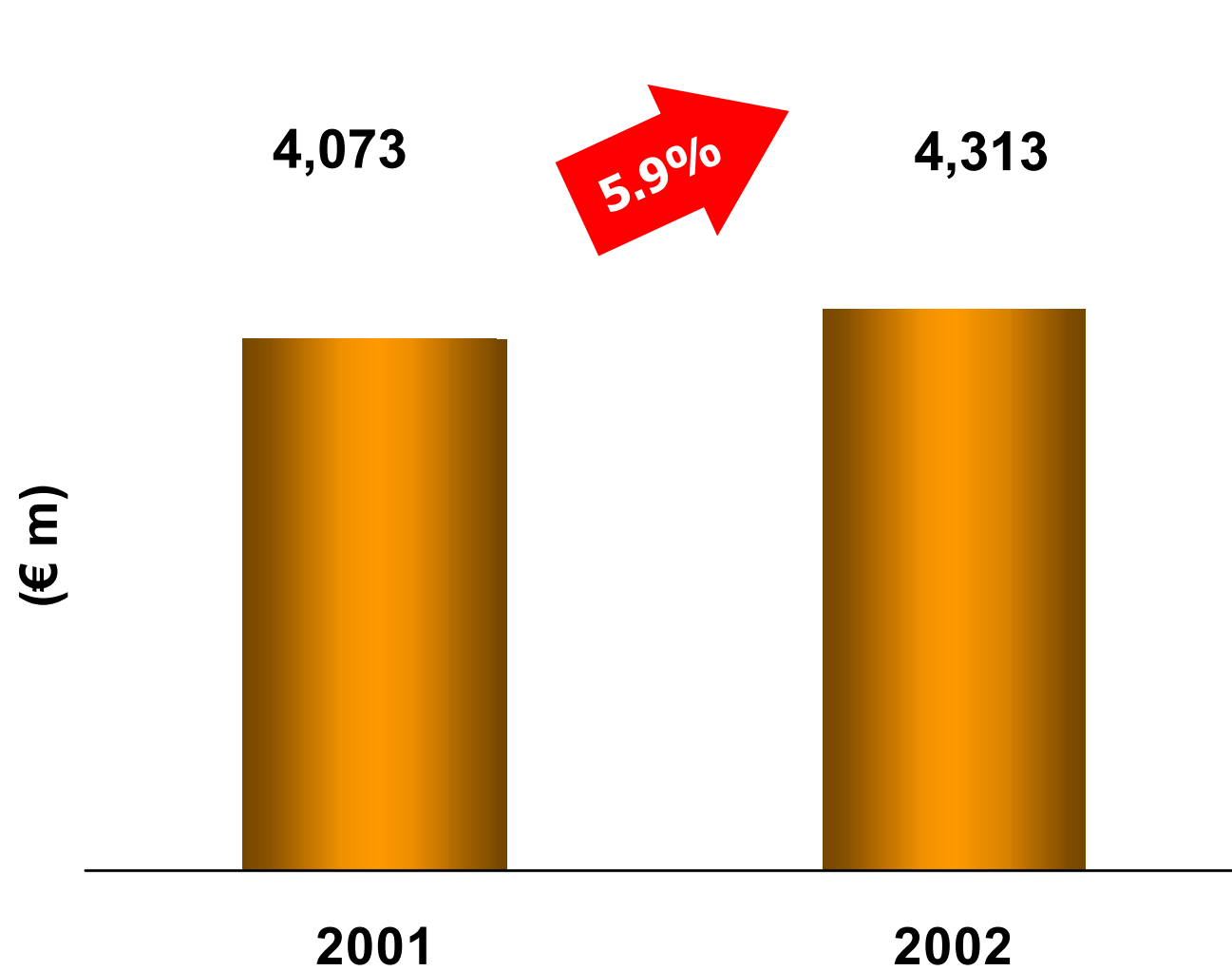
**Net leverage: 41.0%**  
**ROCE annualized: 15.6%**  
**ROE annualized: 10.2%**



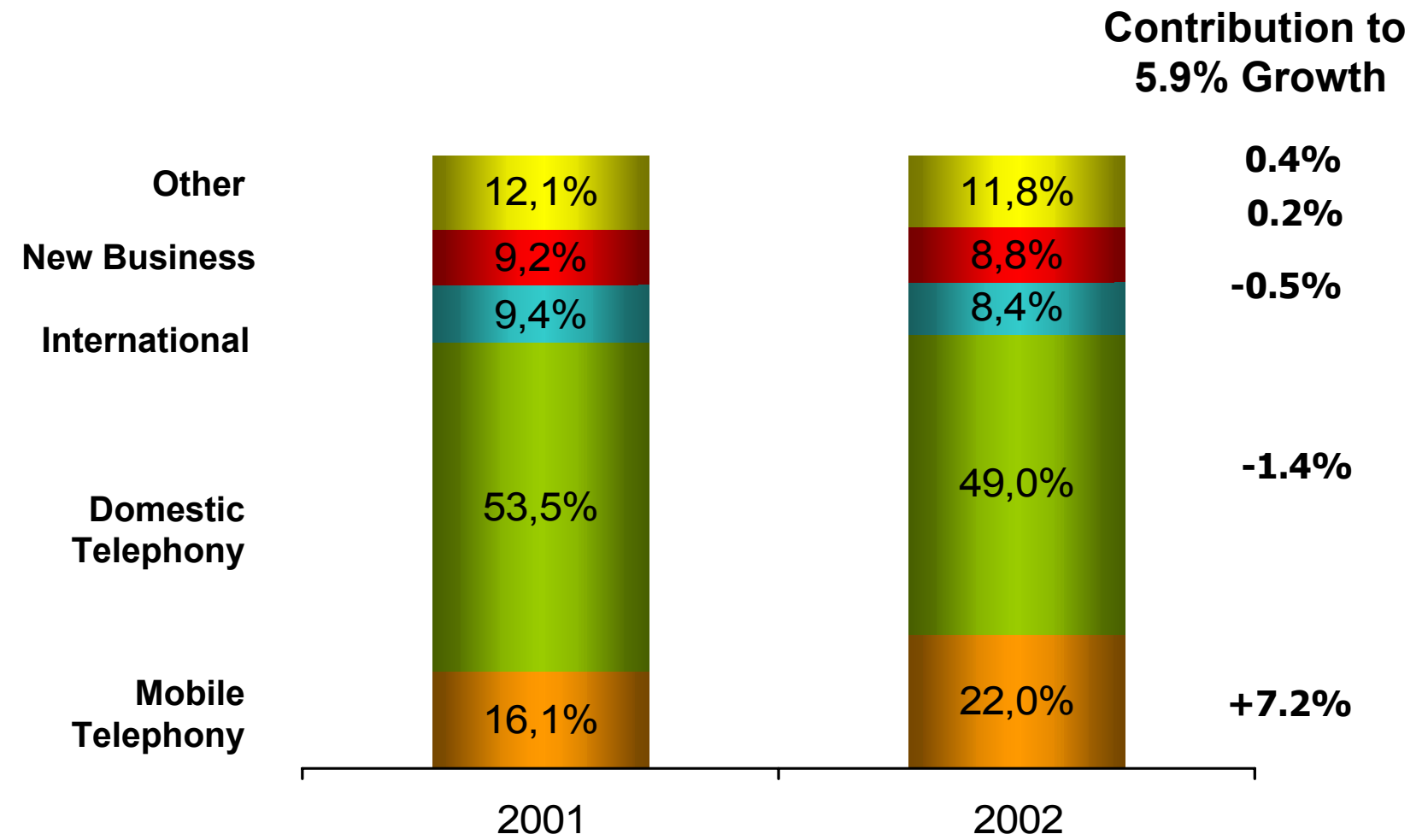
# Operating Revenues



## Operating Revenues

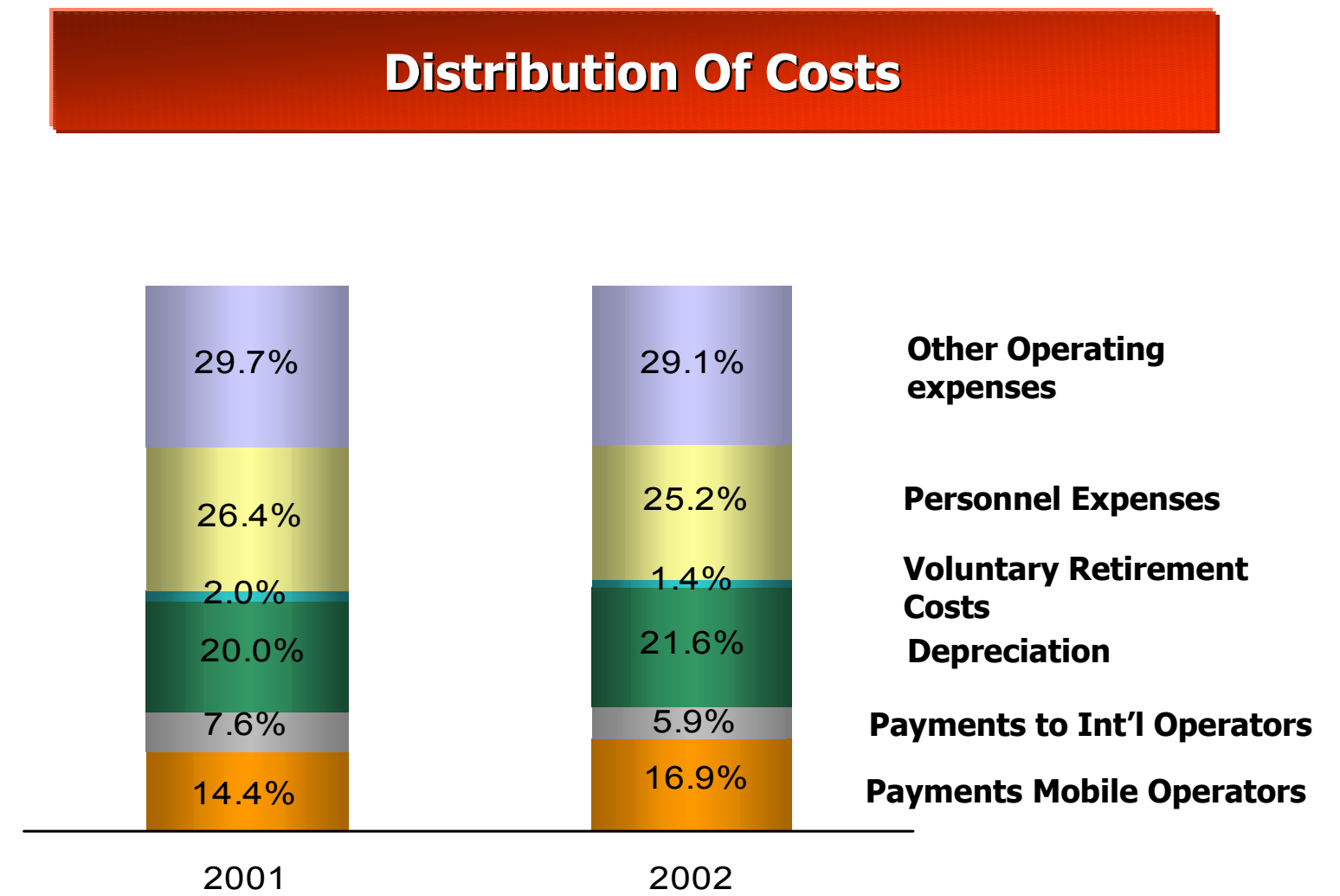
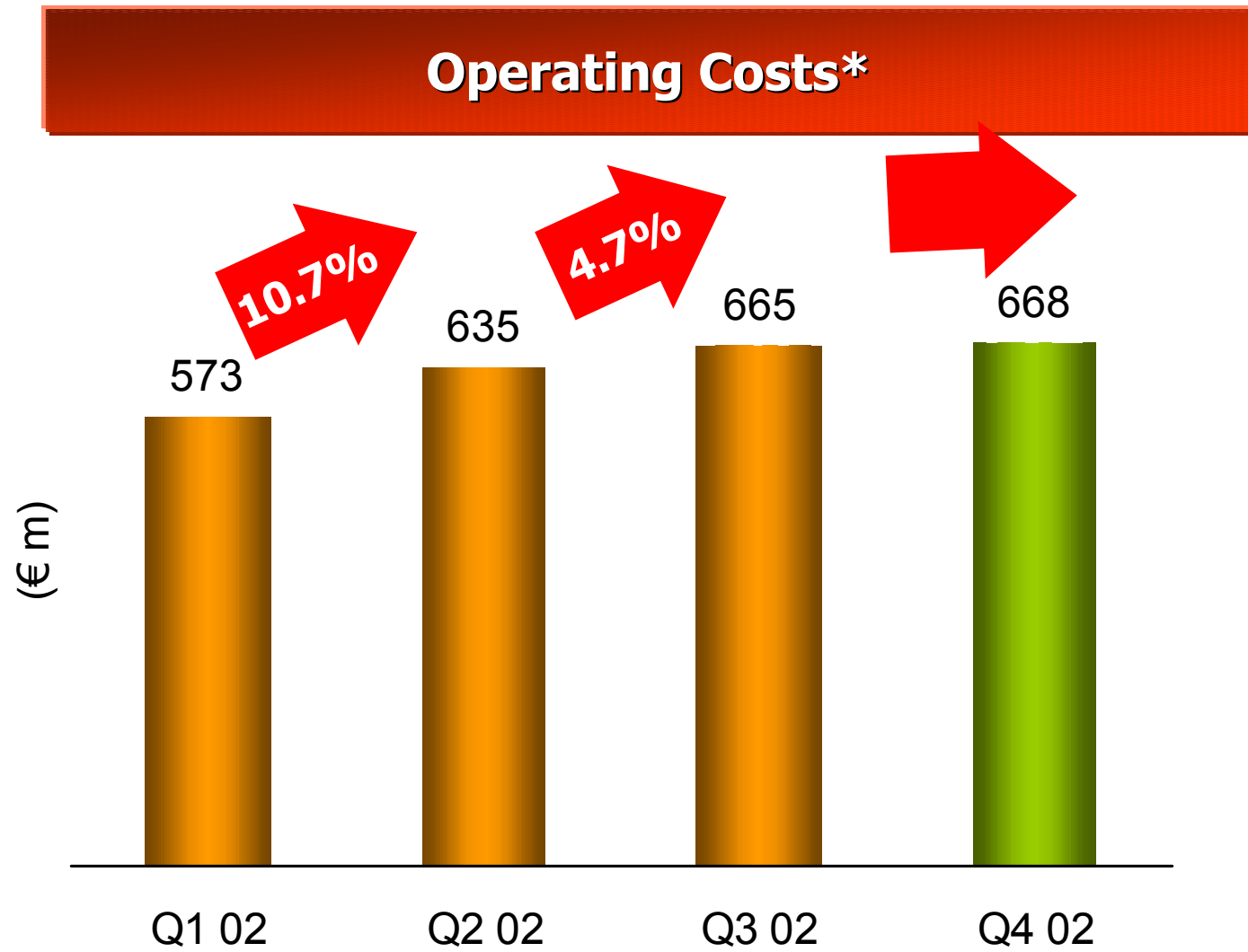


## Breakdown of Revenues





# Operating Expenses



\* Operating expenses excluding costs related to Voluntary Retirement and Depreciation

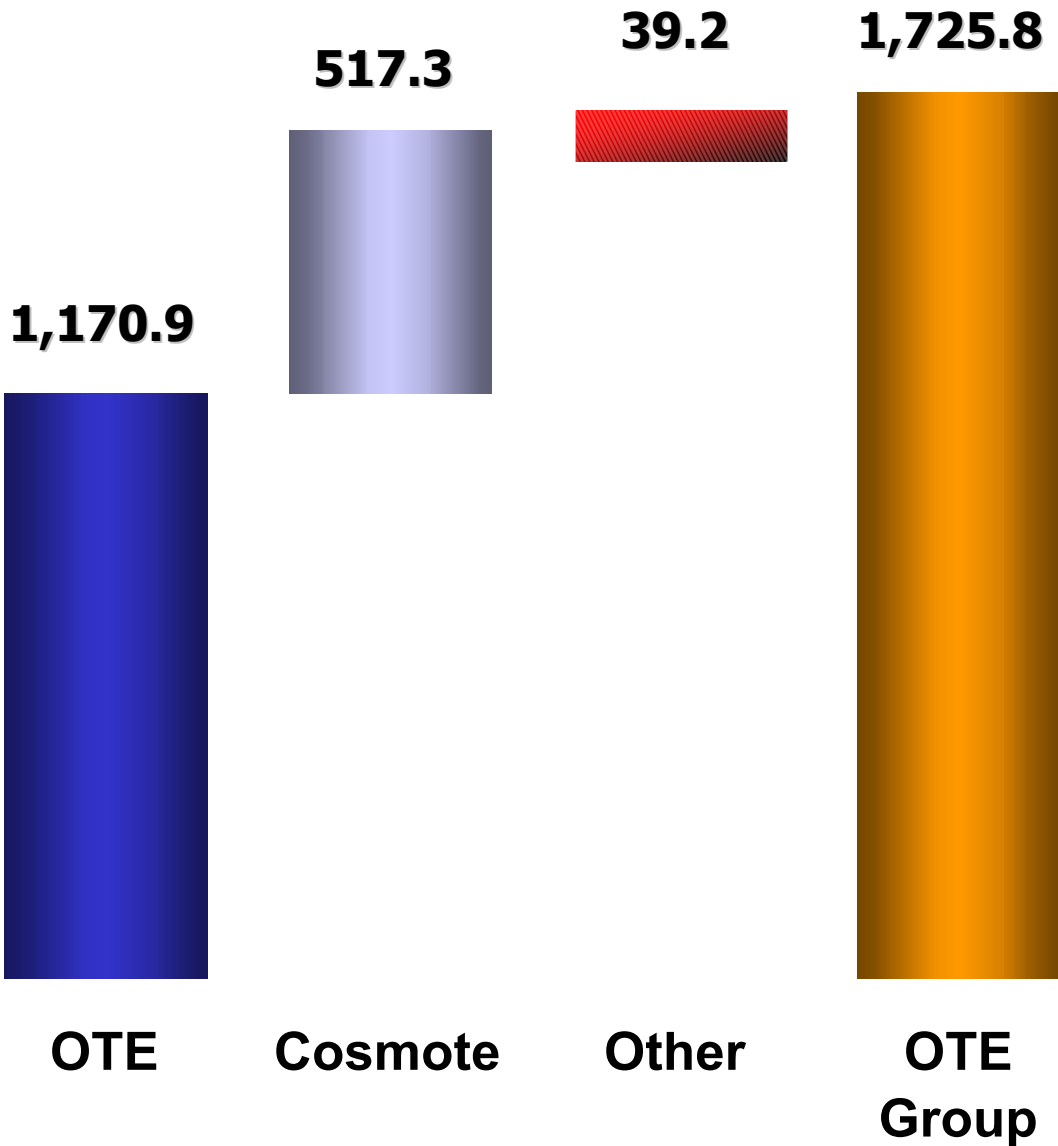




# 2002 Segment Results

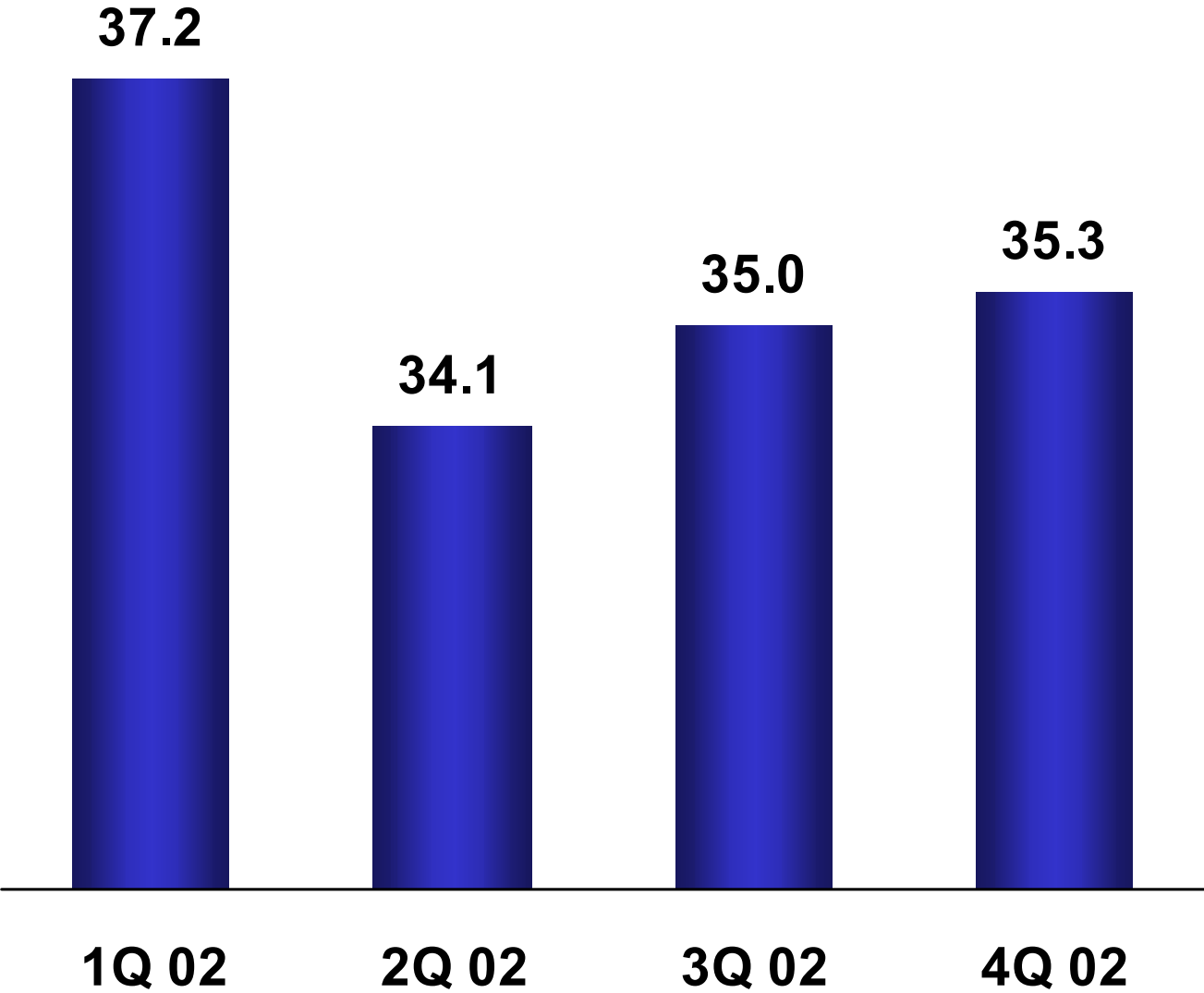
## EBITDA

(€ million)

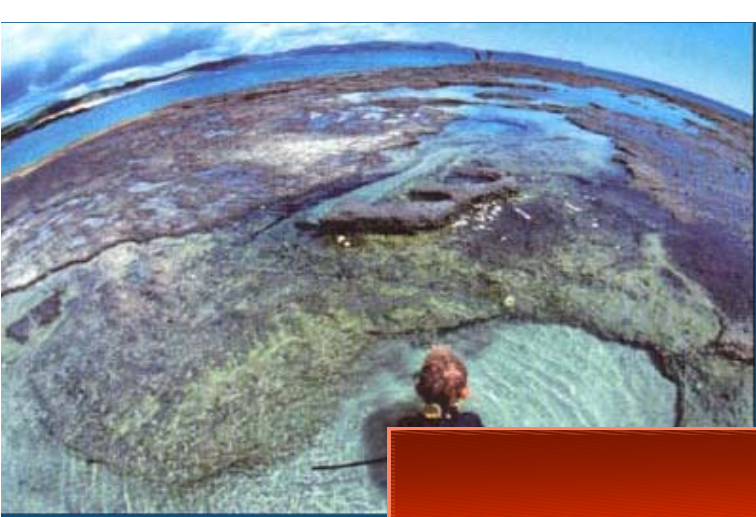


## Fixed Line EBITDA margin\*

(%)

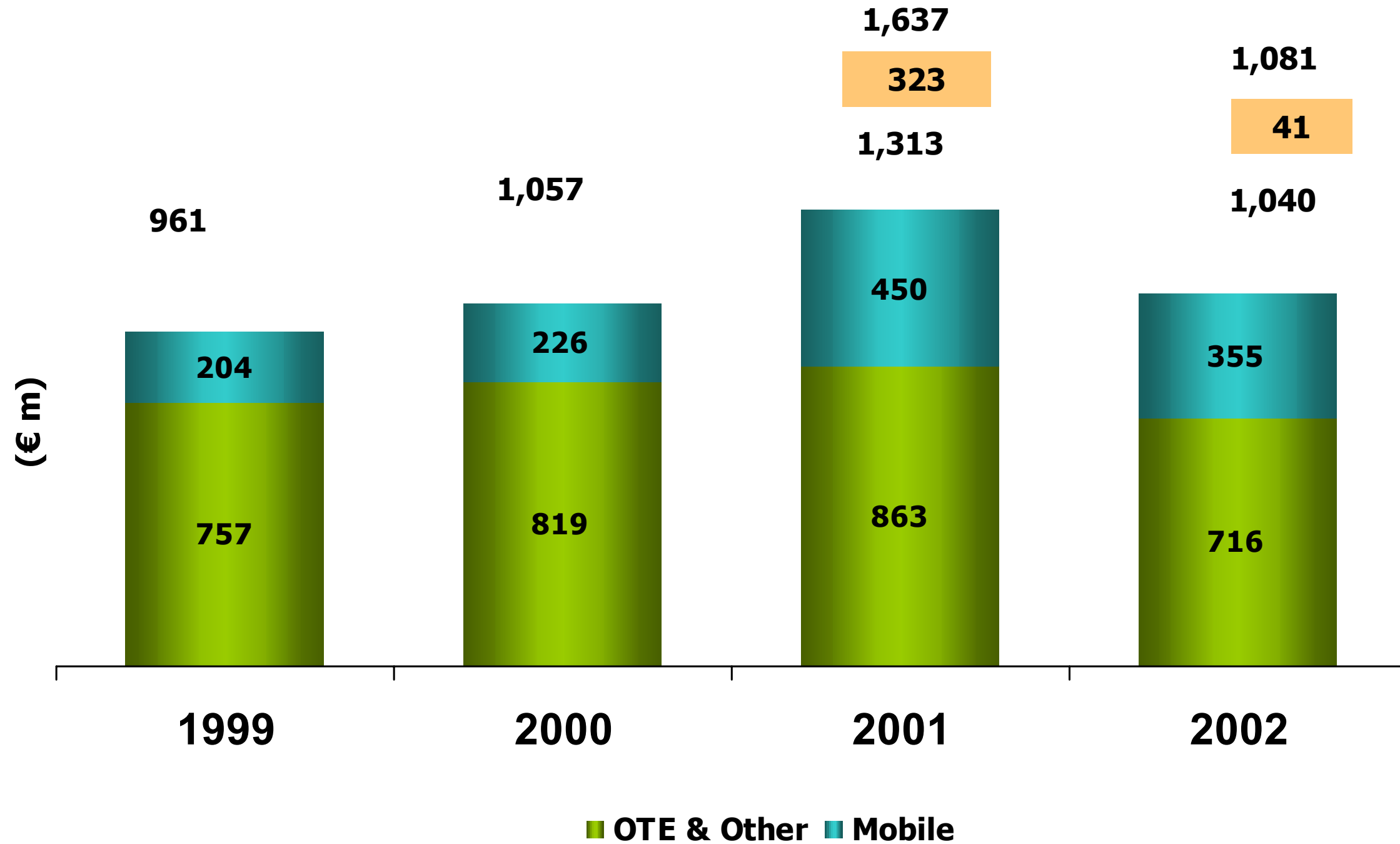


\* Not including voluntary retirement costs



# Investment Program

## Investments



Reduction in Investments is expected to contribute to free cash flow and medium term reduction of depreciation



# Fixed-Line – Customer Focus

- Increasing competition
  - Estimated market share in December: 96%
  - Mobile substitution
- Corporate clients
  - Leased lines & Data Services package (Datapack) launched
  - New sales organization
- Residential customers
  - Successful holiday season offer, December 2002
  - Call center market research – High customer satisfaction
- Mobile termination rates flow-through to fixed-line customers
- Extensive retail network program
- Marketing department strengthened

Thank you