

Group Financial Insight

*Analyst & Investor Day
Athens - June 28, 2002*

Dimitris Kouvatsos
Chief Financial Officer

Agenda

- **Group Growth analysis**
- **Spotlight on Fixed Line**
- **Group overview and Outlook**

2001 growth in Group financials



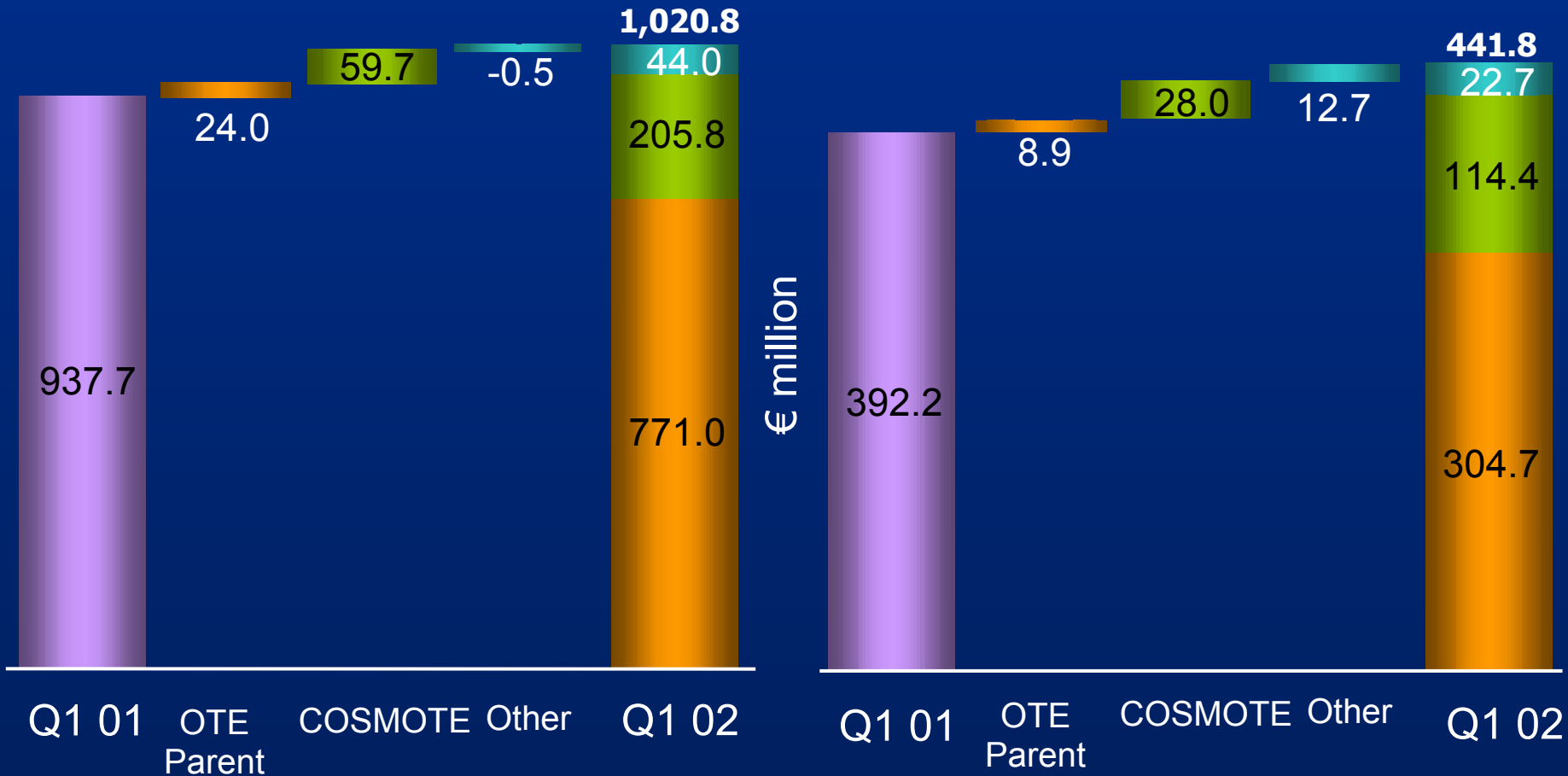
Boosted by mobile and tariff rebalancing



Q1 2002 Group performance

Revenues

EBITDA



In line with full year targets

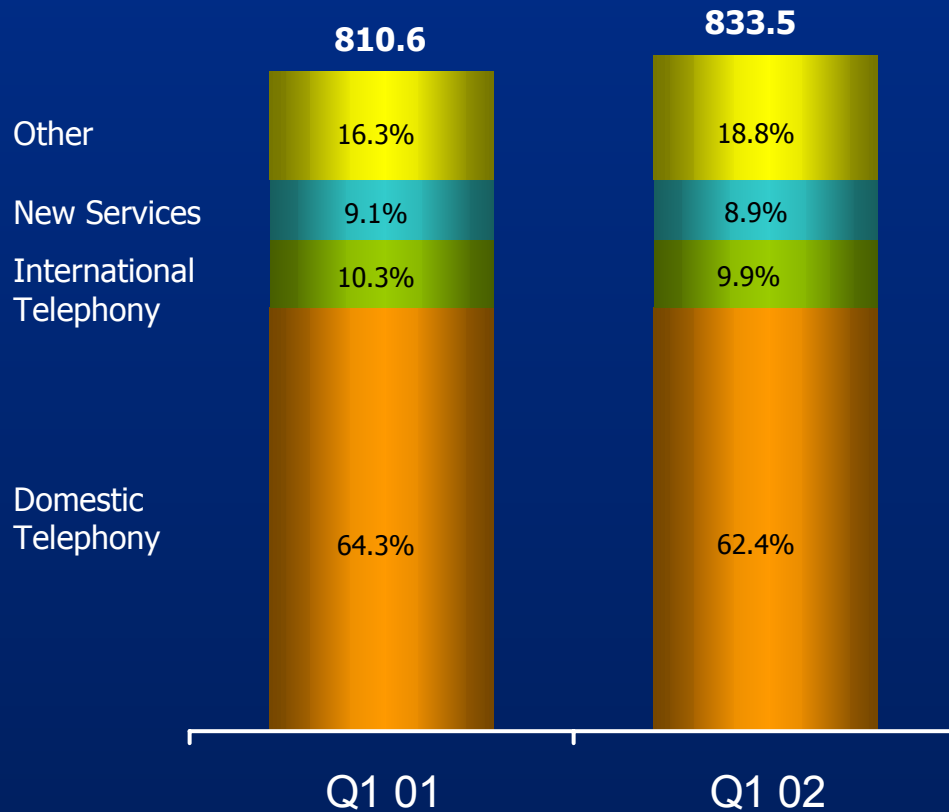


Agenda

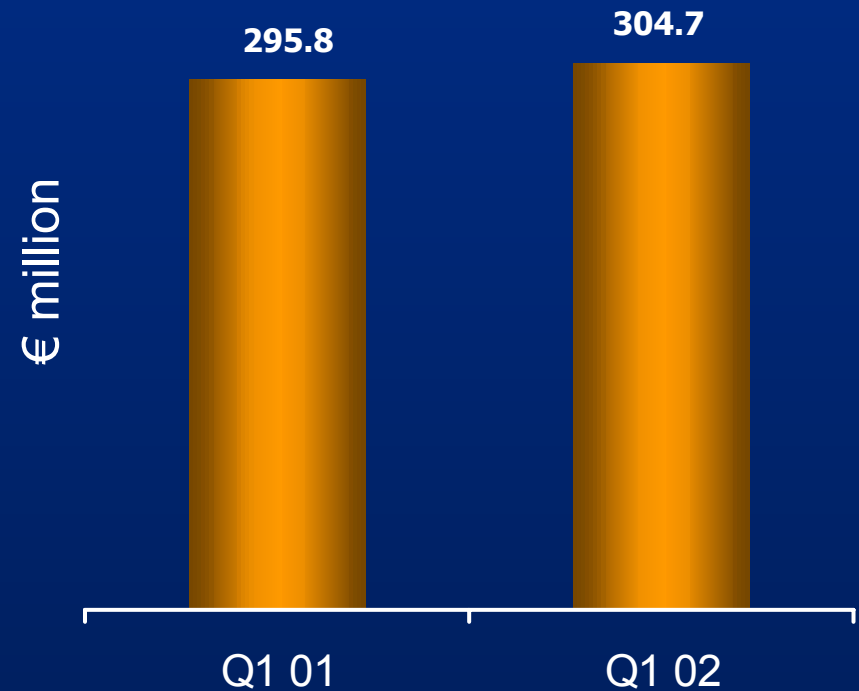
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Fixed Line Revenues & EBITDA

Revenues



EBITDA



€ million



Domestic Telephony Revenues

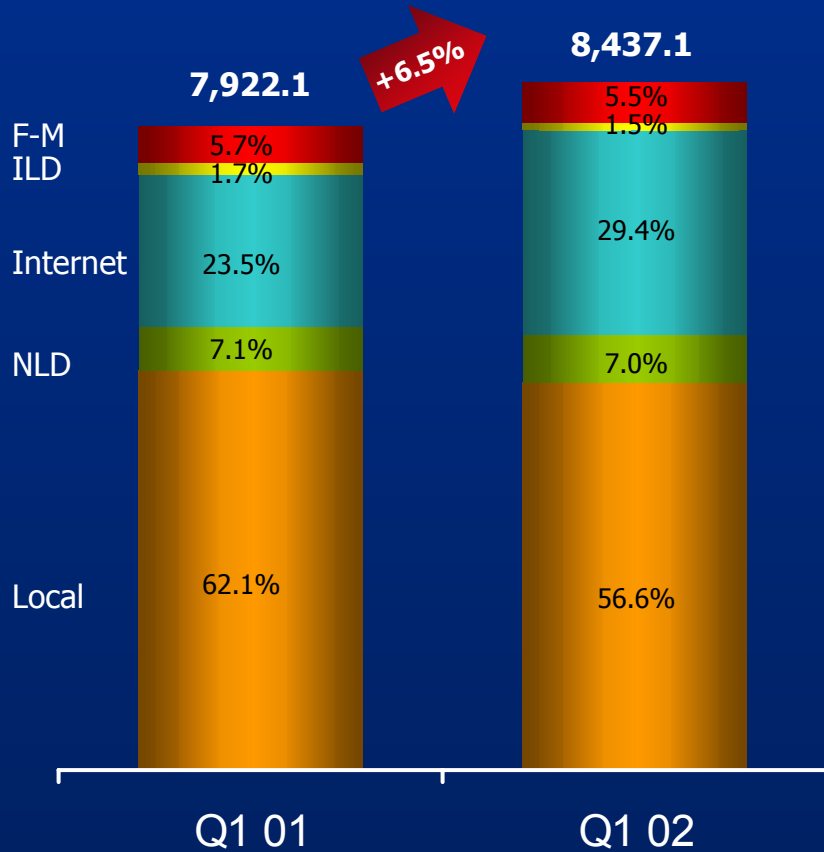


Latest tariff rebalancing effect mainly neutral

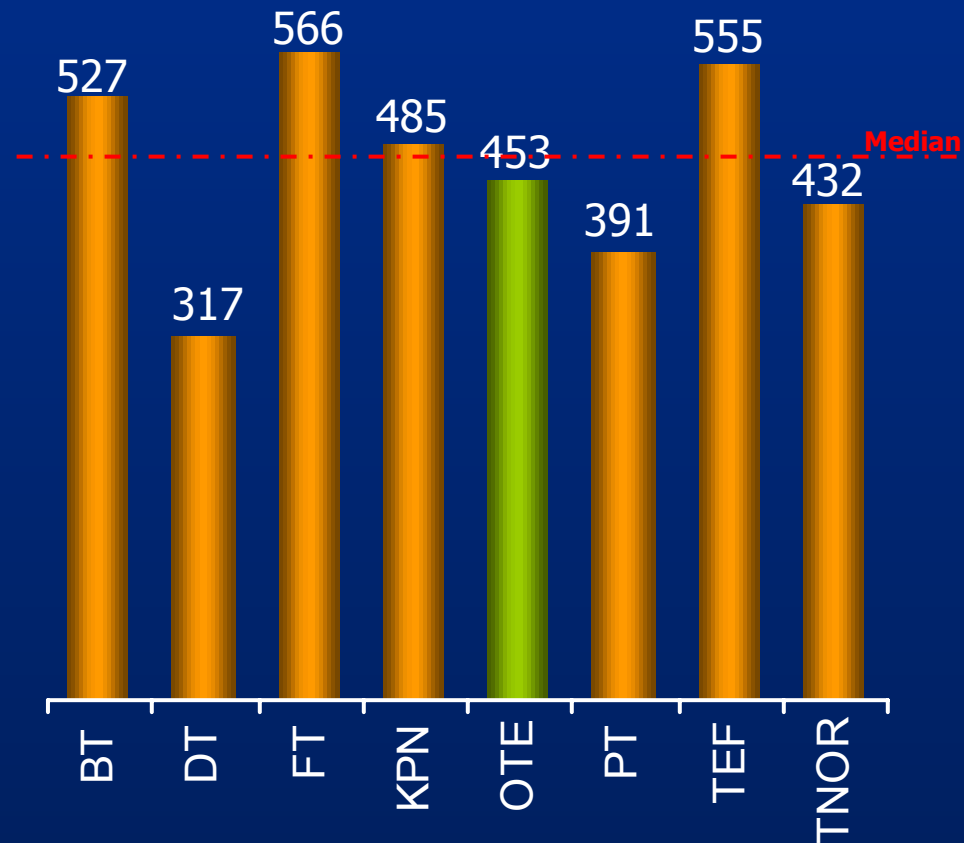


Fixed Line traffic

Q1 traffic, million minutes



Average usage, monthly mins per channel

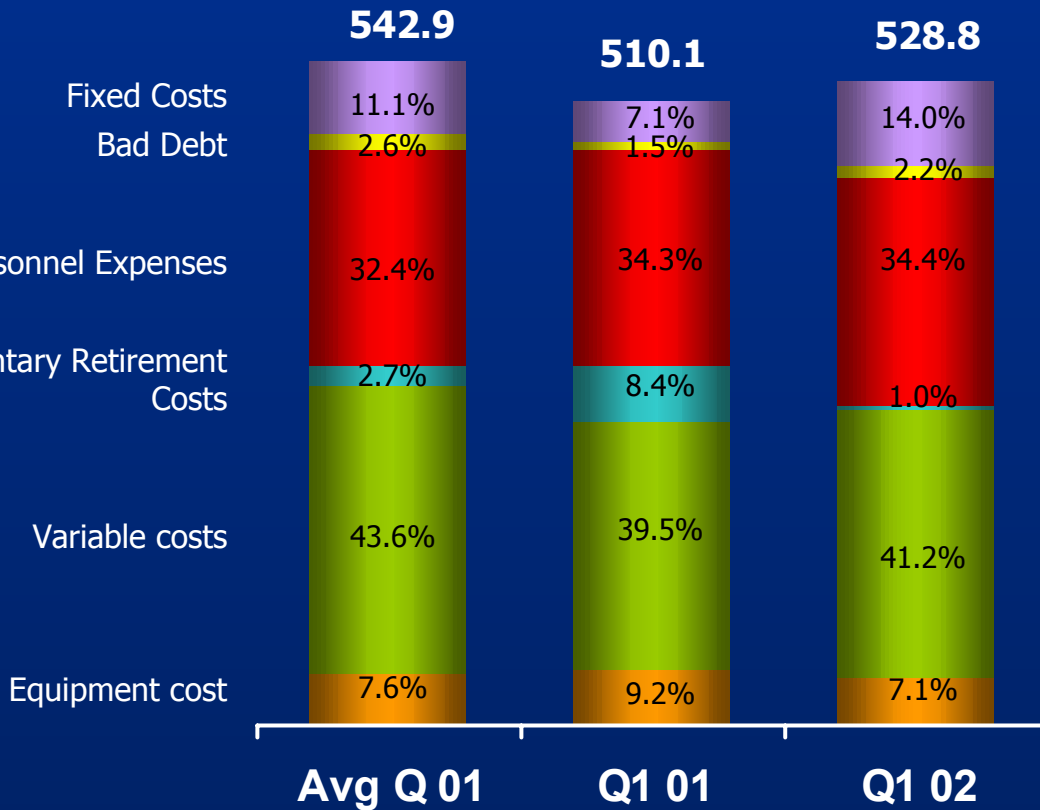


Internet dial-up main traffic driver



Fixed Line Operating Expenses

€ million



Management Actions

- Purchasing committee focus
- Group synergies
- Further headcount reduction
- International traffic cost reduction
- Purchasing committee focus

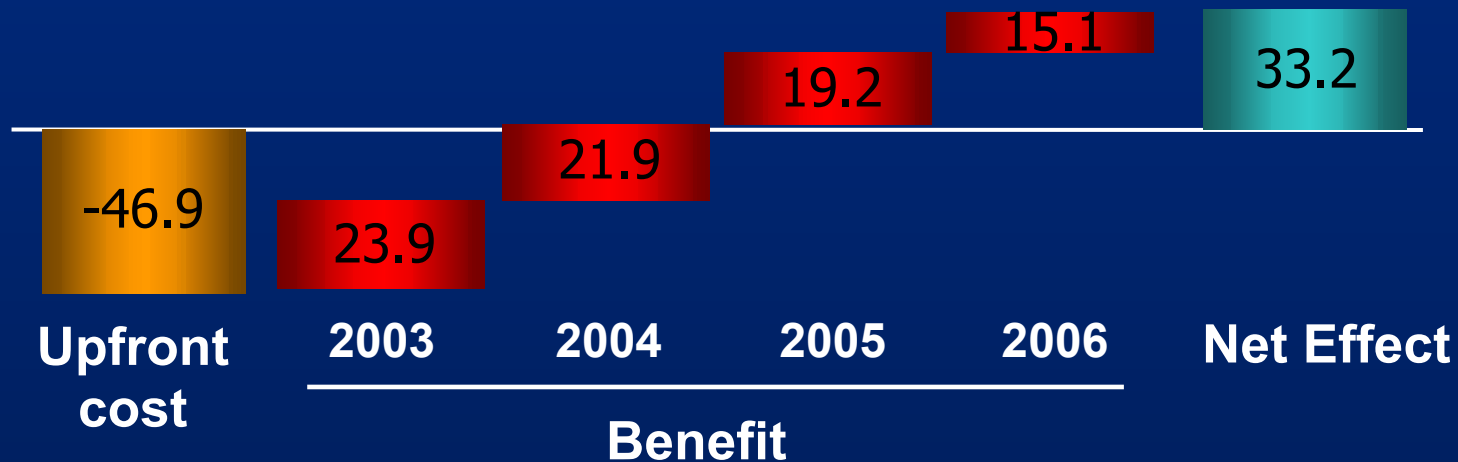
Attacking fixed cost base



Voluntary Retirement for 2002

- Within the existing framework we have developed a scheme for another ~700 people leaving with voluntary retirement (VRS)
- Fixed line personnel is expected to be around 18,000 at the end of 2002

NPV of savings from 2002 VRS - € million



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Key Financial Figures

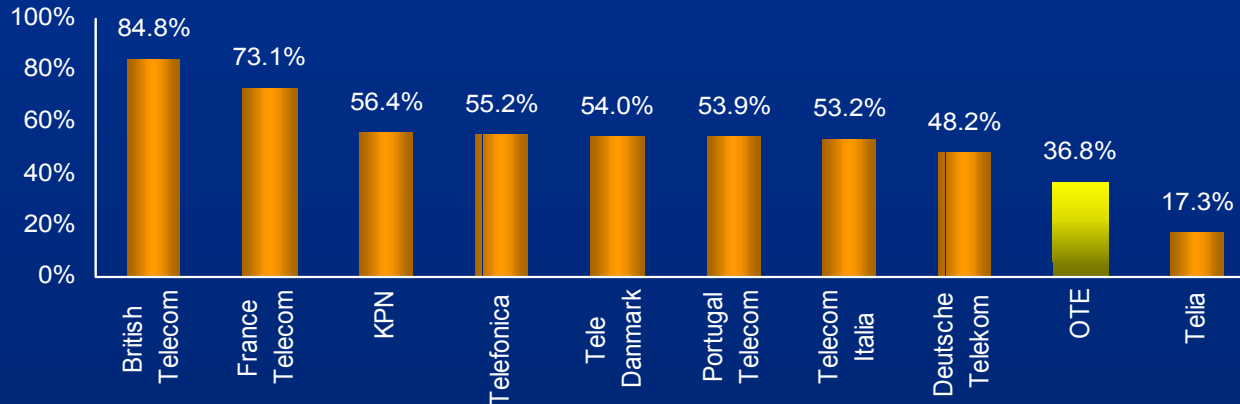
(€ millions)	Q1 2002	Q1 2001	% Diff	2001	2000	% Diff
Operating Revenues	1,020.8	937.7	+8.9	4,080.3	3,596.3	+13.5
EBITDA	441.8	392.1	+12.6	1,713.4	1,358.9	+26.1
<i>EBITDA margin</i>	<i>43.3%</i>	<i>41.8%</i>	<i>+1.5pp</i>	<i>42.0%</i>	<i>37.8%</i>	<i>+4.2pp</i>
EBIT	285.5	255.6	+11.7	1,127.4	854.9	+31.9
Net Profit	140.6	150.1	-6.3	573.3	628.8	-8.8
EPS (€/share)	0.2865	0.3052	-6.1	1.1677	1.2604	-7.4

Significant profitability levels

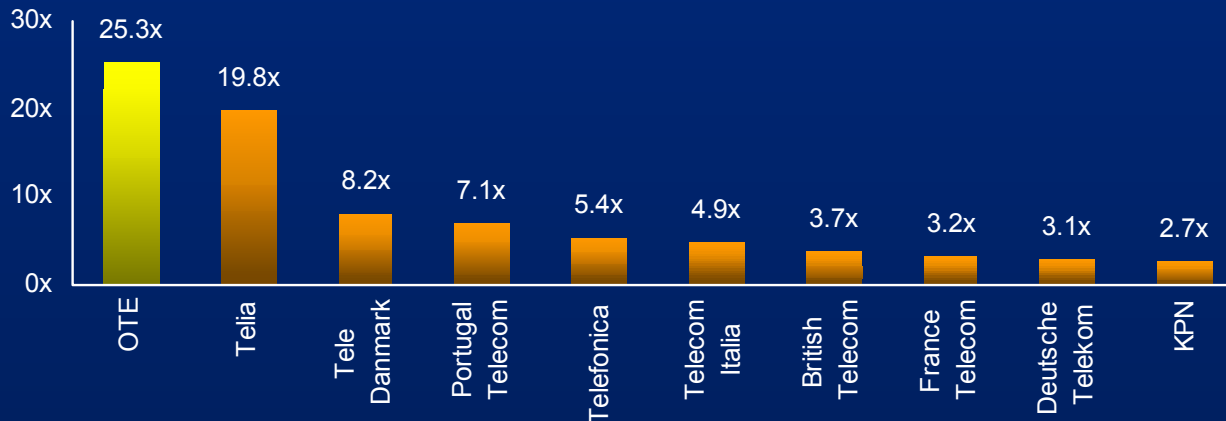


Strong Financial Position

Net Debt / Net Debt + Equity – December 2001



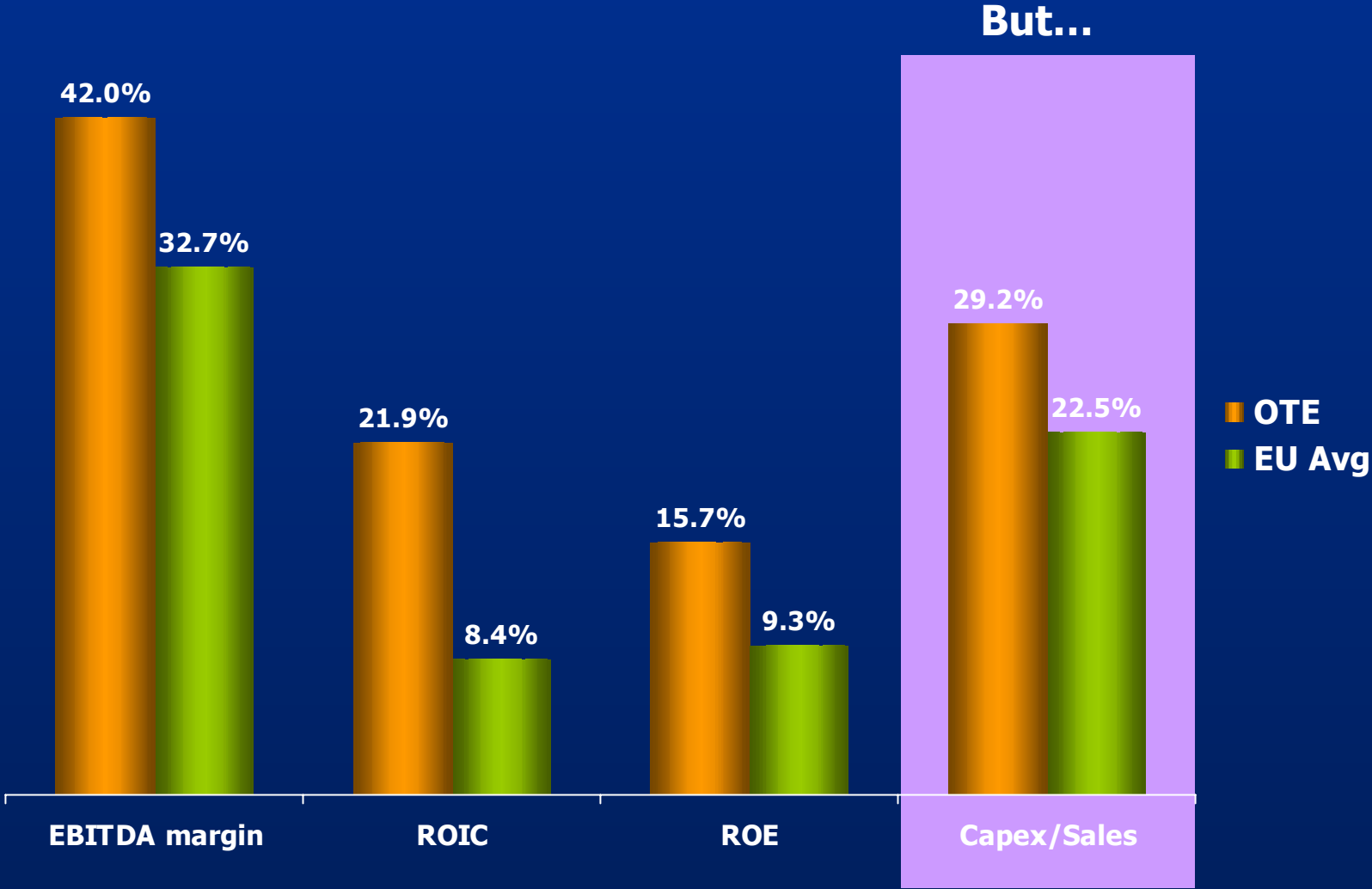
Interest Cover (2001E)



Among the highest credit ratings (A2/A) in the sector



Group comparables

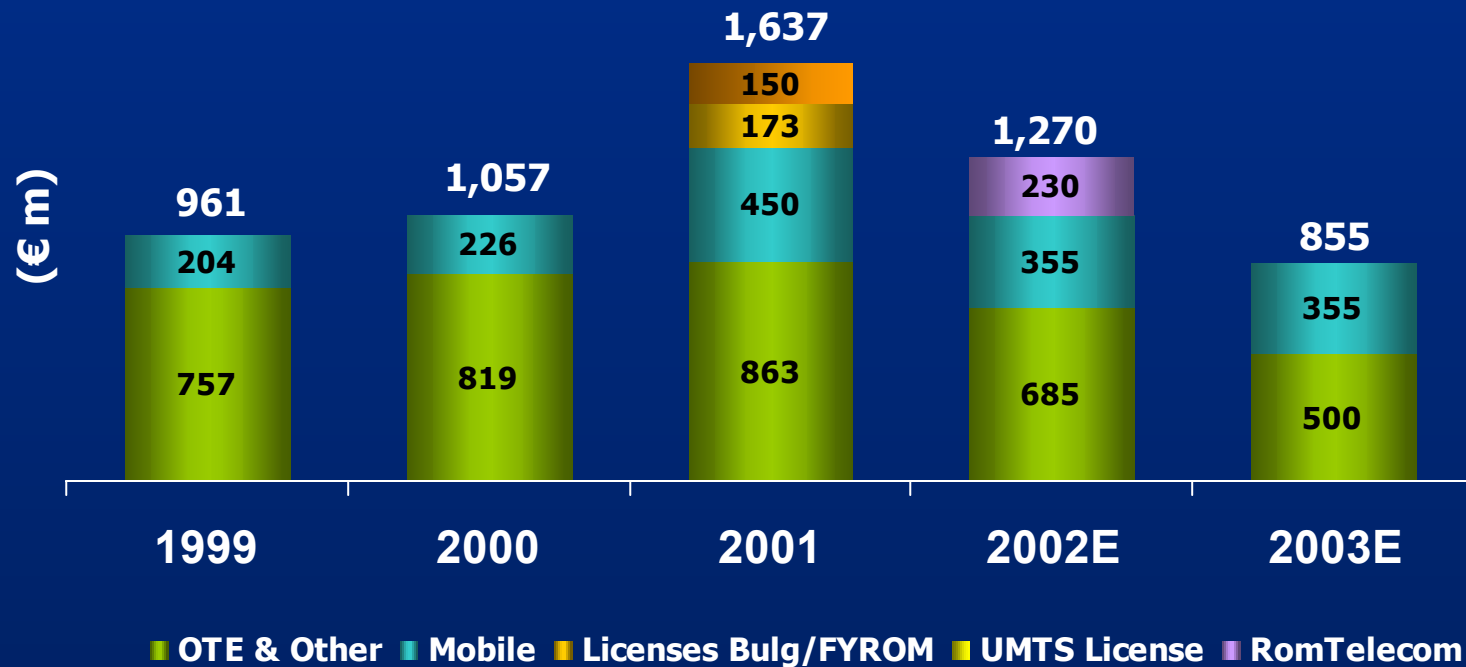


2001 figures
Source: UBS Warburg



Investment Program

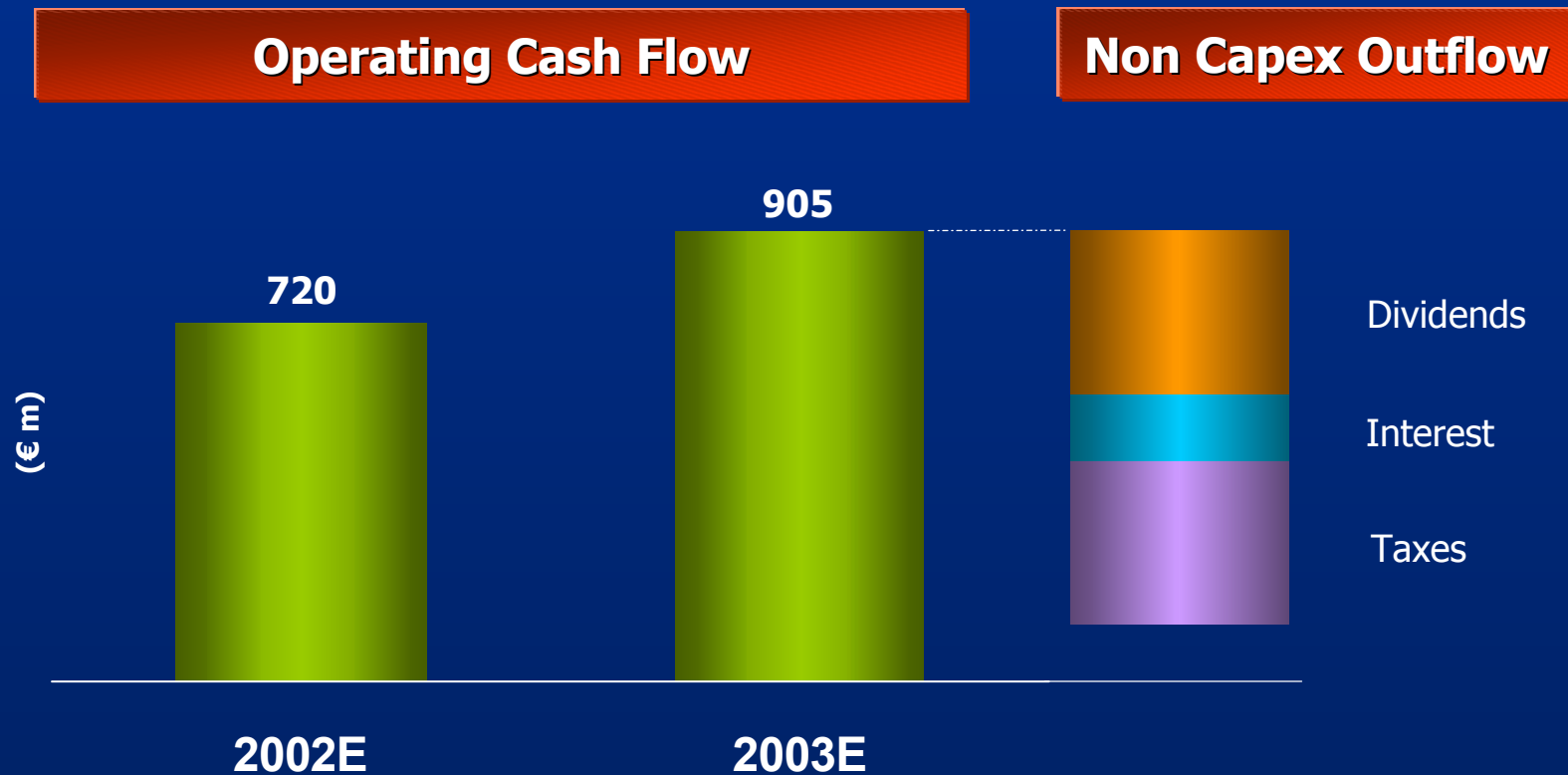
Investments



Reduction in Investments in 2002 and 2003 is expected to contribute to free cash flow and medium term reduction of depreciation



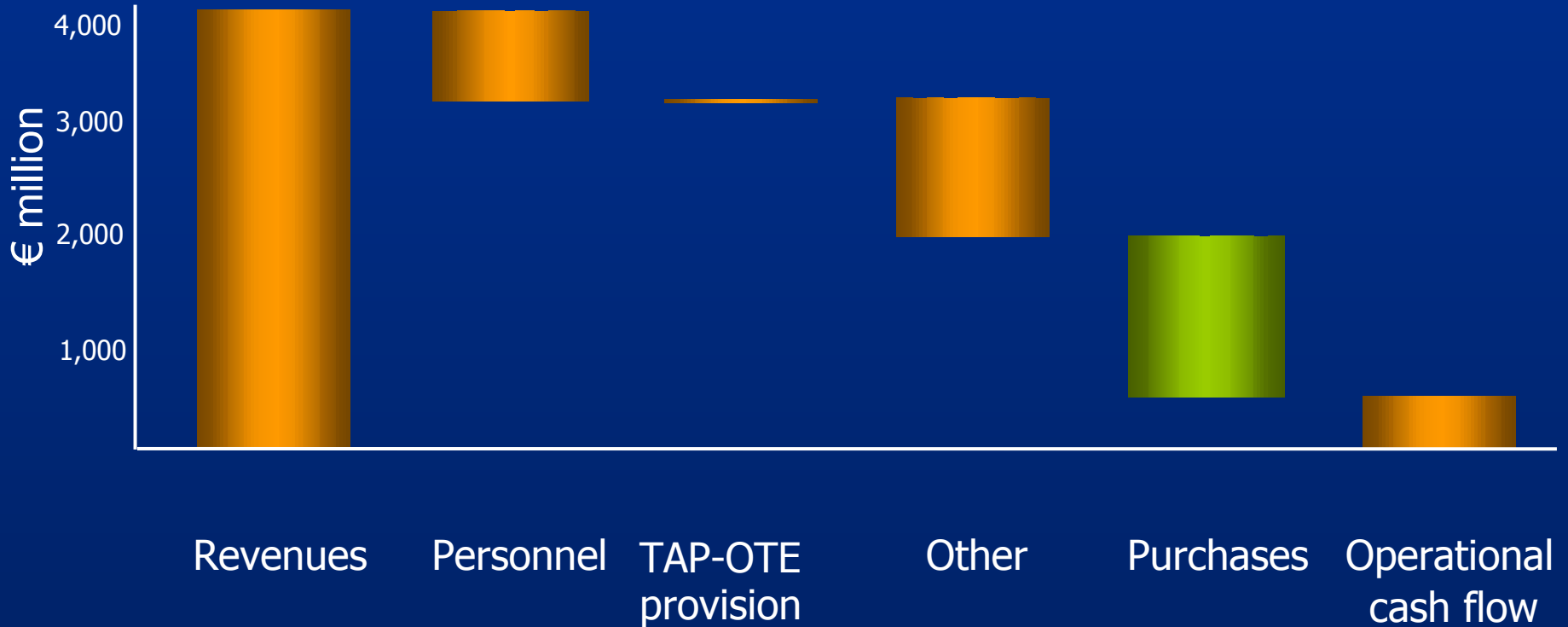
Free Cash Flow positive from 2003



For calculation purposes 2001 EBITDA is used,
adjusted for TAP-OPE provision
Change in working capital not considered

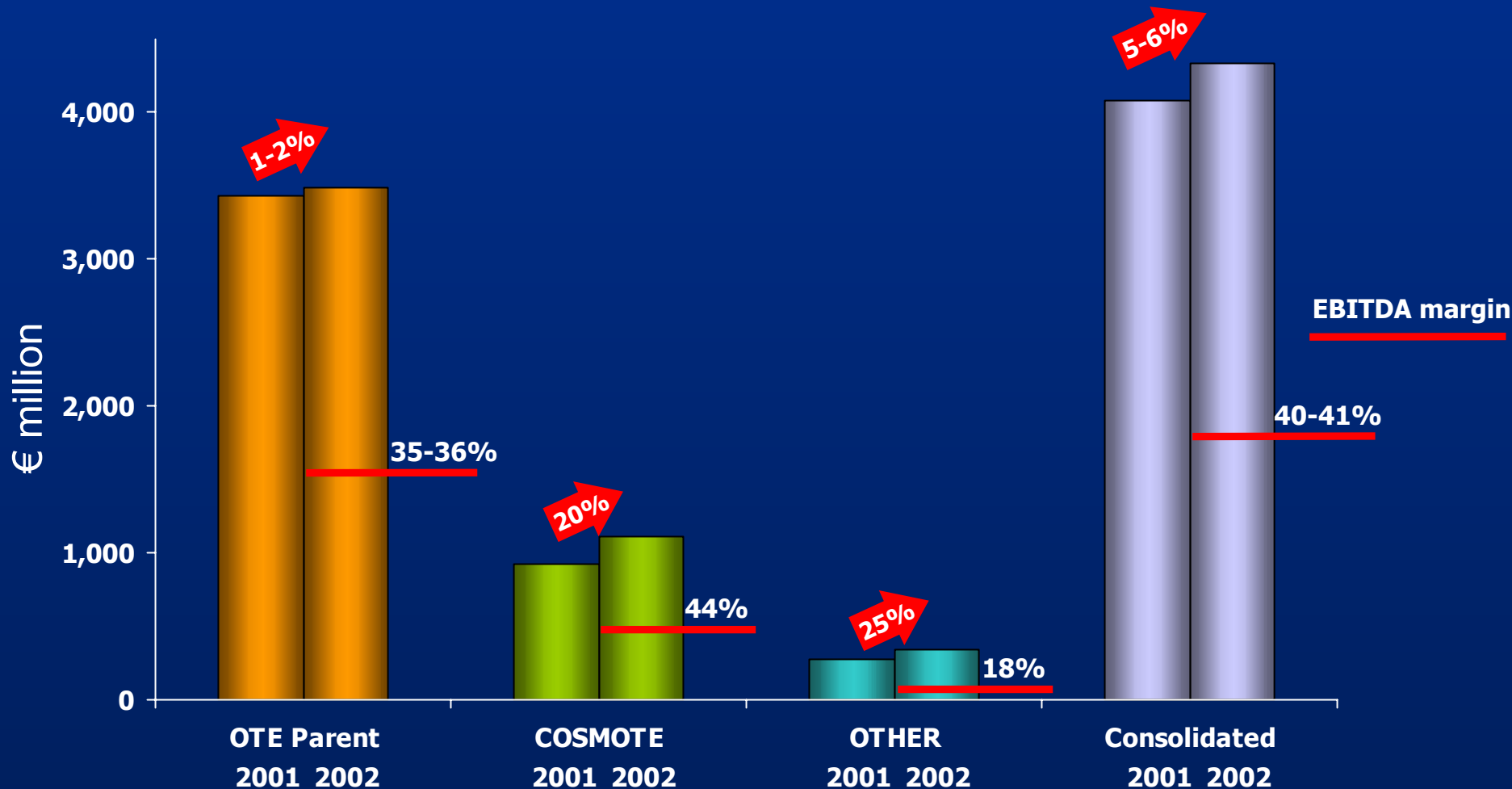


Leveraging Group Purchasing



A 1% reduction in cost of purchases equals to 3.5% increase in operational cash flow

2002 expected results



Note: Including impact of Voluntary Retirement Scheme



Presentation Structure

- **OTE's Strategic Focus**
- **Fixed Line**
 - **Commercial**
 - **Technical**
 - **Information Technology**
 - **IP Services**
 - **Wholesale / Key Accounts**
- **International Investments**
 - **Overview**
 - **RomTelecom**
 - **GloBul**
- **COSMOTE**
- **Group Financial Insight**
- **Closing Remarks**

