

OTEnet IP Services

Fixed

Further strengthen competitiveness in domestic wireline

- Establish strict cost control and optimize capex
- Emphasize orientation to customer

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

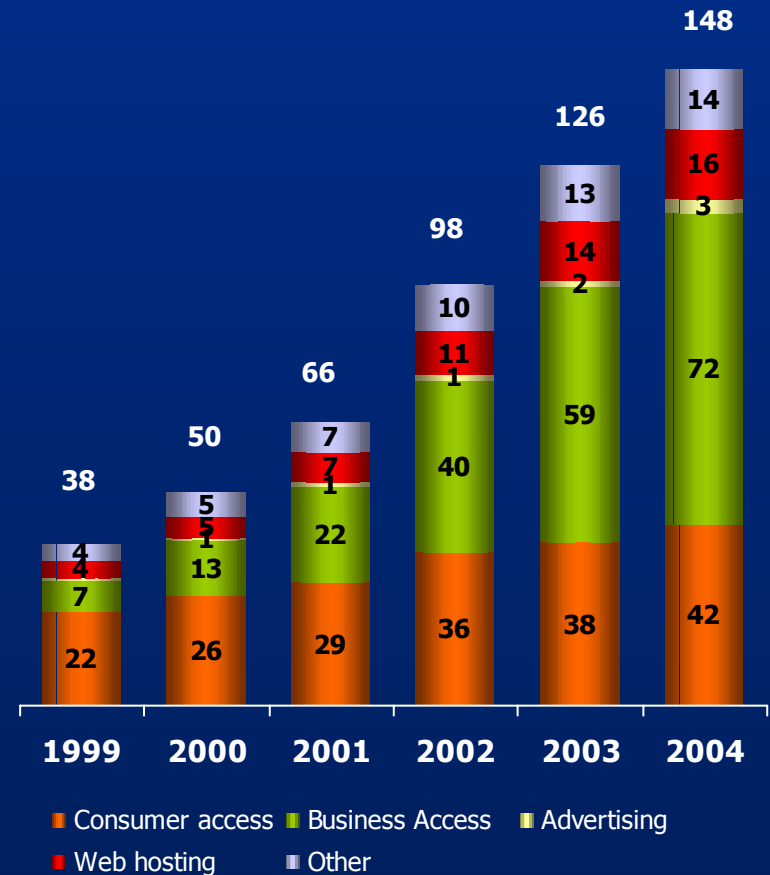
Yorgos Ioannidis
OTEnet CEO

The Greek Market

Customers, 000s



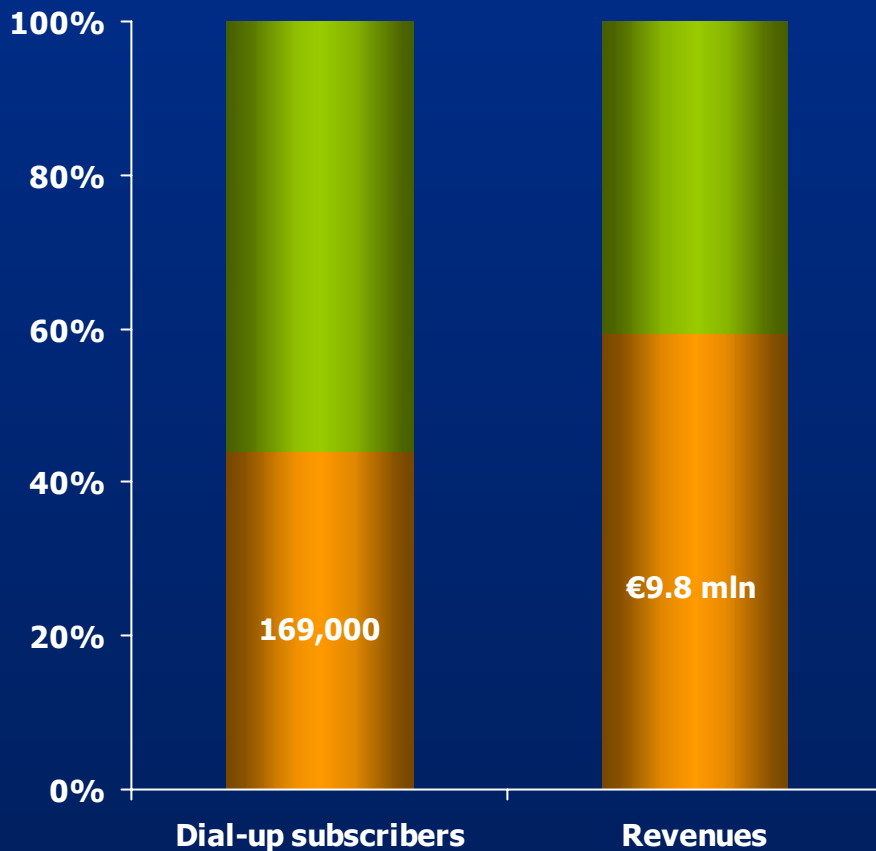
ISP Revenues, \$ million



OTEnet enjoys strong market position

OTEnet position – Q1 2002

OTEnet Customer mix - Q1 2002



■ OTEnet ■ Others

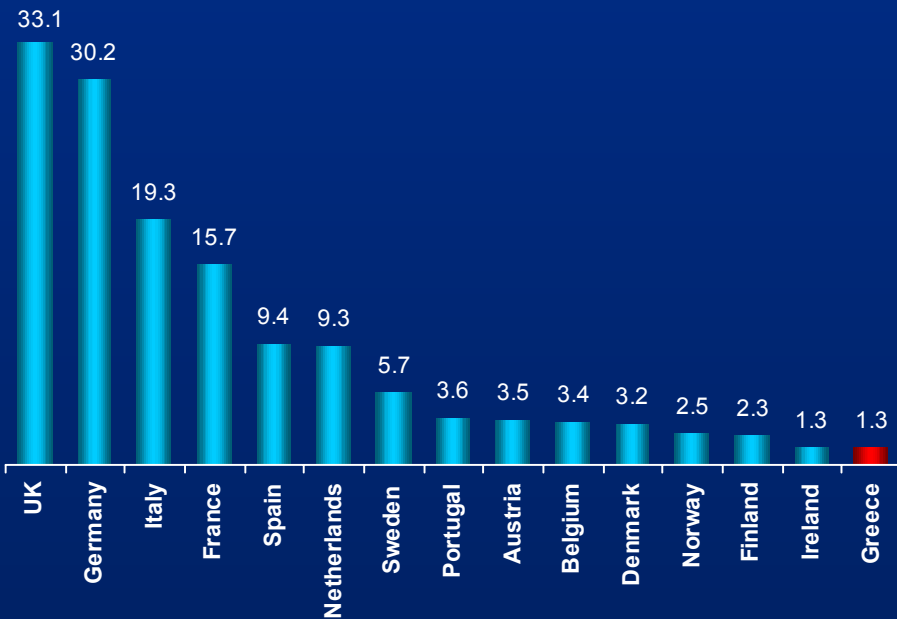
Source for subscribers OTEnet research
Revenues calculation refers to the top 3 players

Dial-up Subscribers	169,000
Leased Lines	750
SME Office Gate	350
WEB Development	150
Virtual Hosting	1,850
Data Center, Co-Location (not officially launched)	20
ASP (not officially launched)	2
MSP (not officially launched)	8
BSP (Open and Media shop)	41



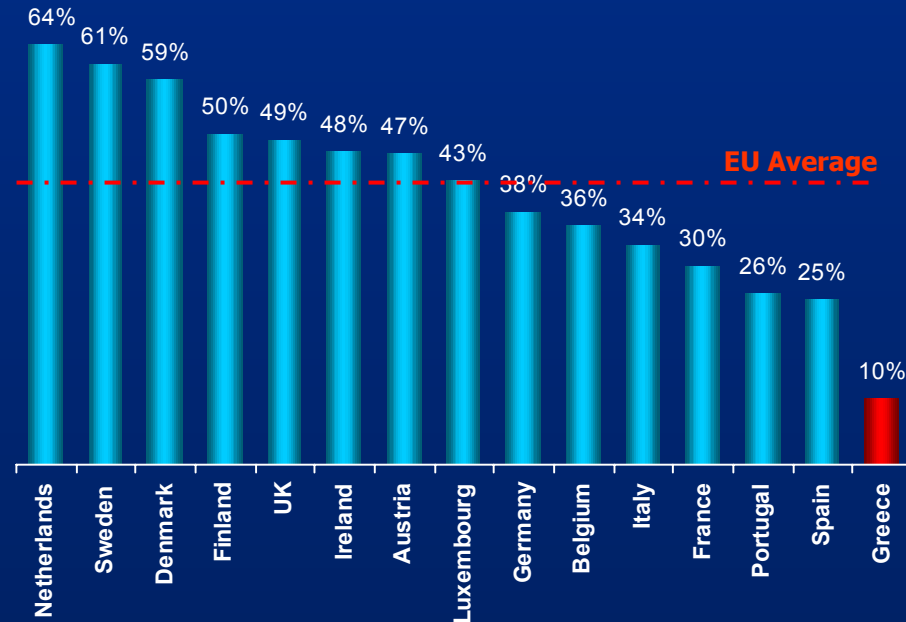
Greece Behind Western Europe

European Population Online - 2001



Source: NUA. Nielsen Netatings. IDC (millions of users)

Penetration Rate, Residential Customers - 2001



Source: eMarketer. European Commission

Strong growth potential from low base



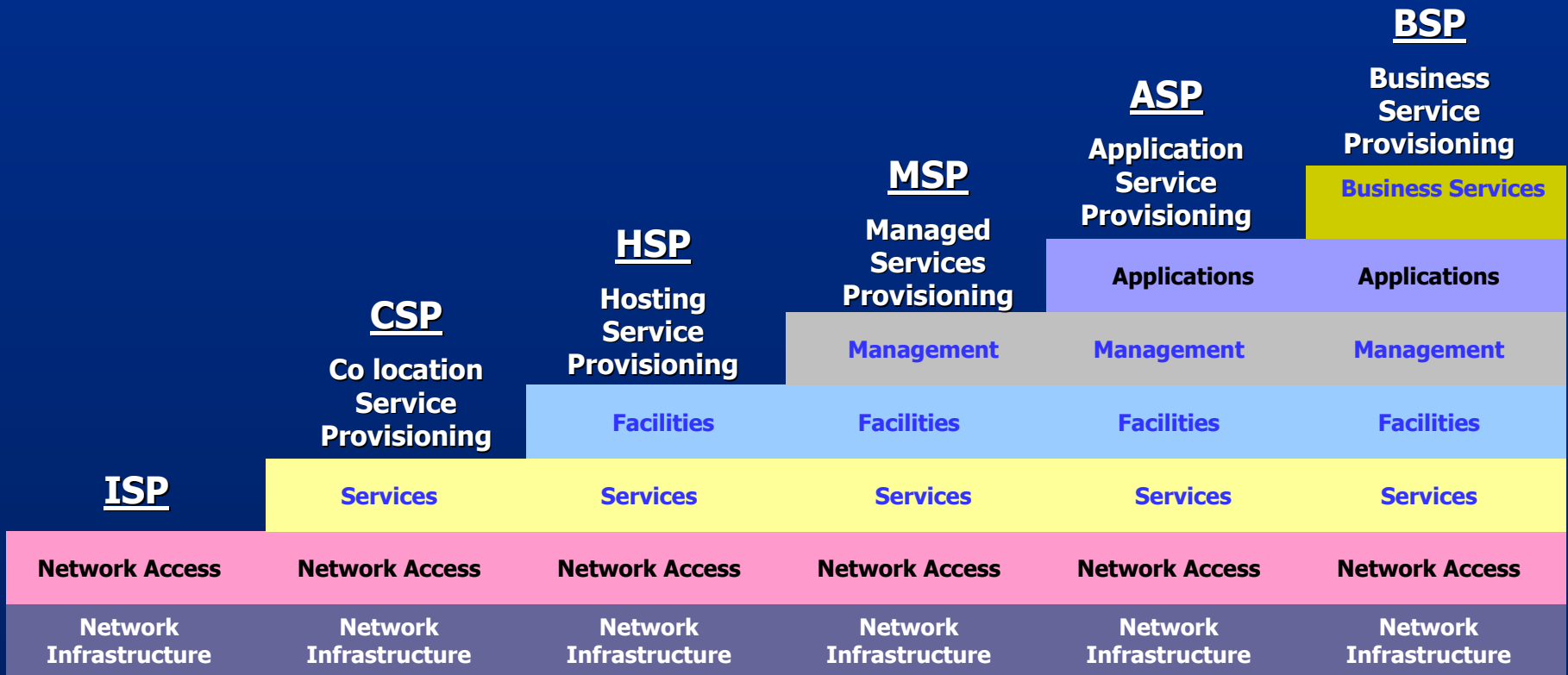
Barriers to Proliferation

- **Cost of PC**
- **Structure of Greek industry**
- **Technophobic traditions**
- **Culture and lifestyle**
- **Language and limited Greek content**

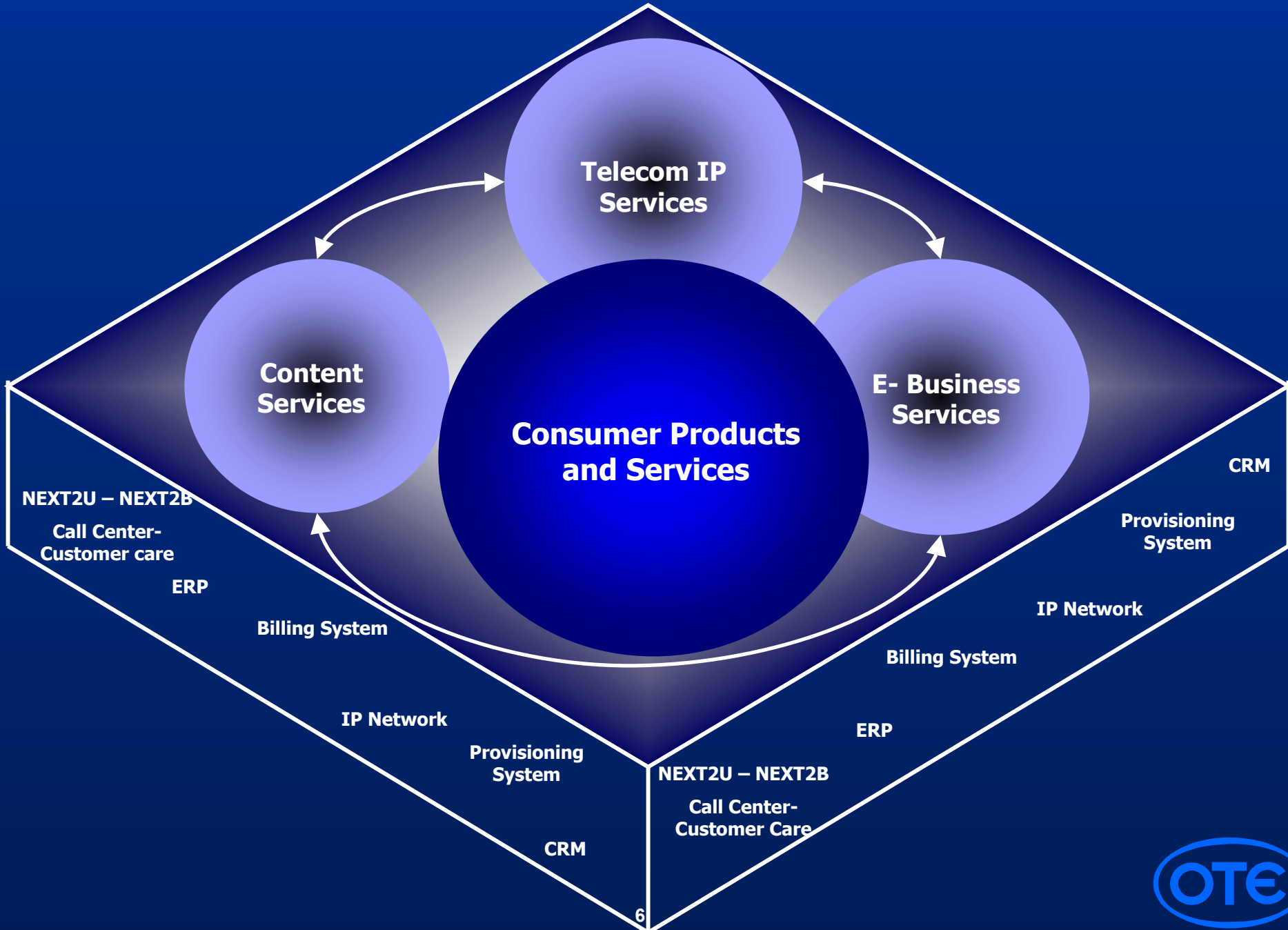
Penetration accelerating among younger population segments



Business evolution value chain



Services Architecture



Strategic Guidelines

Goals

- **Promote the expansion of Internet penetration throughout Greece as a means for development and modernization**
- **OTEnet everywhere: Home, Business, Educational institution**
- **Become a multilevel IP Telecom Solutions and Internet Applications Provider with emphasis on SME market**

Strategy

- **Capitalize on OTE brand name**
- **Expand offerings to cover full Internet value chain**
- **Establish strong brand name (OTEnet) focusing on two market segments (consumer/corporate)**
- **Expand geographically according to Group strategy**



OTEEnet - Leader in the Greek IP market

Present Position

- **#1 Greek Internet Service Provider with over 170,000 dial-up customers**
- **Focused approach to customer segments**
- **Net Income positive in Q1 2002**
- **44% market share from 38% in 2000**
- **26% revenue growth in Q1 2002 and 65% revenue growth in 2001**
- **Over 1,500 point of sales**

Focus going forward

- **Maintain leading position in dial-up market and become #1 Business Service Provider**
- **Innovative lifestyle consumer applications**
- **Integrated IP solutions for the Business sector through OTEEnet Data Center**
- **Net Income positive in 2002**
- **Enhance content aggregation model and distribute broadband content over ADSL**

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**