OTE Plc

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

REGISTERED NUMBER: 03896324

The financial statements on pages 12 to 36 were approved by the Board of Directors of OTE PLC on 13 March 2020 and are available online at the site
https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_etairiwn_omilou.html

OTE

GROUP OF COMPANIES

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Declaration of the managers responsible for financial reporting

Pursuant to Article 3 of Luxembourg's Transparency Law, the undersigned Stuart Watson and Ioannis Kyriakopoulos, on behalf of the board of Directors of OTE Plc, confirm that to the best of their knowledge the financial statements for the year ended 31 December 2019 represent in all material respects, the financial position, results of operations of the Entity in conformity with the International Financial Reporting Standards.

Furthermore the undersigned declare that the business summary includes a fair review of the development and performance and the company position together with a description of the principal risks and uncertainties that it faces.

....	....
Stuart Watson	Ioannis Kyriakopoulos
Director	Director (on behalf of Wilmington Trust SP Services London Limited)

The Directors present their Strategic Report on OTE Plc ("the Company") for the year ended 31 December 2019.

Review of the business

The Company is a public limited company, with registered number 03896324 and is incorporated and domiciled in the UK. The principal activity of the Company is to borrow and raise funds from the market and otherwise, for the benefit of its parent company, Hellenic Telecommunications Organisation ("OTE S.A." or "OTE"), and other OTE Group subsidiaries. The Company's profits stem from the difference between interest received from OTE S.A. and OTE Group subsidiaries and interest paid to the bondholders and other lenders. Profits and/or retained earnings are used to cover administrative and other expenses.

The Company has established a programme for the issuance of Global Medium Term Notes ("GMTN") up to a maximum amount of €6.5 billion guaranteed by OTE S.A. The programme is listed on the Luxembourg Stock Exchange and was last updated in April 2019. The principal balance of GMTN Programme outstanding as at 31 December 2019 amounted to €1.6 billion (31 December 2018: €1.7 billion).

The most recent GMTN Programme documentation is available on the parent company's website at www.cosmote.gr/fixed/corporate/ir/lending/bonds.

On May 17, 2019, the Company issued €200 million Notes, under the GMTN Programme, fully subscribed by Deutsche Telekom AG. On the same date, the Company subscribed to a €200 million bond loan issued by OTE S.A. Both the bond loan and the Notes were fully prepaid on June 17, 2019.

On September 24, 2019, the Company issued €500 million 7-year Fixed Rate Notes with an annual coupon of 0.875% under its €6.5 billion GMTN Programme. Deutsche Telekom AG participated in the issuance covering €100 million out of the total amount.

In October and November 2019, the Company repurchased and cancelled total nominal amount of €16 million under the €700 million Notes due July 2020 and €1.3 million under the €350 million Notes due December 2019.

On December 2, 2019, the Company fully repaid at maturity the remaining outstanding amount of €348.7 million Notes.

On October 30, 2019 Standard & Poor's raised its long term rating on OTE and the Company's GMTN Programme to BBB- with stable outlook, thus reinstating the rating to Investment Grade for the first time since 2011.

The Company has been assessing potential implications of Brexit. From the analysis performed up to date, Brexit is not expected to have a significant effect on the operations of the Company.

In August 2019, the Company became VAT registered with HM Revenue and Customs ("HMRC"). As a result, the Company paid to HMRC an amount of €684,461 related to this year's and prior years' VAT.

To account properly for the VAT effect following the Company's VAT registration to HMRC, the Company restated the 2018 figures, in accordance with International Accounting Standard 8 ("IAS 8") *Accounting Policies, Changes in Accounting Estimates and Errors,* in order to present the VAT impact in the Financial Statements by reallocating the total effect at the appropriate accounting periods (see Note 18).

The audited financial statements for the year ended 31 December 2019 are set out on pages 12 to 36. The after tax loss for the financial year was €15,071 (31 December 2018: restated loss €152,840).

Section 172 statement

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors have regard to the interests of the Company's employee and other stakeholders, including the impact of its activities on the community, the environment and the Company's reputation, when making decisions. Acting in good faith, the Directors consider what is most likely to promote the success of the Company and its stakeholders in the long term.

Principal risks and uncertainties

The principal activities of the Company outlined above give rise to exposure to financial risks in the ordinary course of business. The main risks associated with the Company's financial assets and liabilities are set out in Note 17 to the financial statements.

Macroeconomic conditions in Greece

The macroeconomic and financial environment in Greece is showing continuous signs of stability. The capital controls, initially imposed on June 28, 2015, ceased in September 2019.

OTE Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations.

Financial Key performance Indications

Key Performance Indicators ("KPIs"), allow the Directors and shareholders to monitor the Company as a whole. The board of Directors of the Company monitors KPIs on a regular basis. The Company's KPIs are as follows:

	31.12.2019 €	**Restated 31.12.2018 €**
1. Administrative expenses	(573,447)	(569,540)
2. Finance income	56,350,934	56,574,141
3. Finance cost	(55,810,296)	(56,149,732)
4. Cash and cash equivalents	32,102,166	32,765,929
5. Total financial assets	1,656,495,046	1,678,963,414
6. Guaranteed notes	1,656,283,776	1,678,719,586

Approved by the Board of Directors and signed on its behalf by:

Stuart Watson

Director

13 March 2020

The Directors present their Report and the audited financial statements of the Company, registered number 03896324, for the year ended 31 December 2019.

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. The Directors, in order to achieve the Company's targets, implement actions such as, closely monitoring the Company's activities, scheduling BoD Meetings quite often, adopting compliance policies, obtaining tax/legal advice when necessary, and in general making all necessary actions to promote the Company's and its stakeholders interests.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Charalampos Mazarakis
Panos Kaliabetsos
Anastasios Tzoulas
Daniel Wynne (resigned 30 June 2019)
Stuart Watson (appointed 30 June 2019)
Eileen Hughes (resigned 30 September 2019)
Chris Duffy (appointed 30 September 2019)
Wilmington Trust SP Services (London) Limited

Secretary

Wilmington Trust SP Services (London) Limited
1 King's Arms Yard, Third Floor, London, EC2R 7AF

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place London WC2N 6RH

Registered office

Wilmington Trust SP Services (London) Limited
1 King's Arms Yard, Third Floor, London, EC2R 7AF

Directors' remuneration

Details of Directors' remuneration are shown in Note 7.

Going Concern

All liabilities are backed by loans granted to OTE Group companies with good credit standing (refer to Note 17). In addition, all bonds issued under the GMTN programme are guaranteed by OTE S.A. via various deeds of guarantee.

The Directors have considered the ability of the OTE Group companies to meet their obligations towards the Company as well as the ability of OTE S.A. to support the Company and are of the opinion that the Company will meet its obligations. Furthermore, the Directors closely monitor the Company's cash balances.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and financial statements. In assessing the appropriateness of the going concern basis, all relevant information covering a period of at least twelve months from the date of the approval of the financial statements have been taken into account. In addition, the good credit standing of the Company's borrowers together with the deeds of guarantee which the Company has entered into with the parent company covering its bonds issued under the GMTN programme, the parent company's ability to support the Company and the high standards in banks investments were also taken into consideration. Based on the above, no material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors.

Developments

The Directors expect that the Company will continue to borrow and raise funds from the market and otherwise for financing OTE Group in the forthcoming periods.

Dividends

The Directors do not recommend the payment of a dividend out of the Company's retained earnings (2018: € nil).

Qualifying third-party indemnity provisions

The Directors of the Company benefited from third party qualifying indemnity insurance provisions during 2019. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

Post balance sheet events

Post balance sheet events are disclosed in Note 16 to these financial statements.

Financial instruments

Note 17 to the financial statements provide details on the Company's financial risk management policies and related exposures.

Political and charitable contributions

The Company made neither political nor charitable contributions during the year (2018: € nil).

Disclosure of information to auditors

Each Director at the date of approval of this report confirms that:

- As far as the Director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditors are unaware; and

- The Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

A resolution for the appointment of PricewaterhouseCoopers LLP as auditors for the year ended 31 December 2019 was taken at the shareholders Annual General Meeting on 20 May 2019. A further resolution concerning the appointment of auditors will be proposed at the next Annual General Meeting.

Internal control and risk management over financial reporting

The Company has in place internal control and risk management systems in relation to the Company's financial reporting process and the process for preparation of the financial statements. These systems include policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with the International Financial Reporting Standards; require representatives of the businesses to certify that their reported information gives a true and fair view of the state of affairs of the business and its results for the year; and review and reconcile reported data. The Directors are responsible for monitoring these internal control and risk management systems.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the company's financial statements publications in the parent's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors and signed on its behalf by:

Stuart Watson
Director

13 March 2020

Independent auditors' report to the members of OTE Plc

Report on the audit of the financial statements

Opinion

In our opinion, OTE plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 December 2019; the income statement and other comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

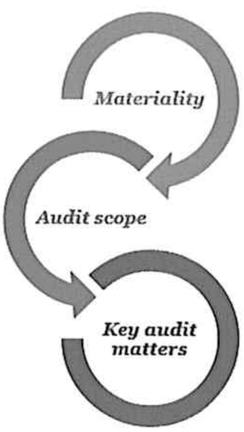
We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the company.

We have provided no non-audit services to the company in the period from 1 January 2019 to 31 December 2019.

Our audit approach

Overview



- Overall materiality: €558,000 (2018: €560,000), based on 1% of interest expense.

- The audit was over a wholly owned standalone entity.
- Support was received from PwC Greece to conduct work and report to PwC UK on the findings.
- PwC UK remained responsible for the overall direction and supervision of the work as well as auditing the financial statement disclosures and tax.

- Basis for tax expense.
- Recognition of prior year VAT expense.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of tax regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal through override of control. The engagement team shared this risk assessment with the other auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the engagement team and/or other auditors included:

- review of the consistency of the financial statement disclosures compared to underlying supporting documentation,
- review of correspondence with HMRC,
- review of correspondence with external tax advisors, and
- enquiries of management in so far as they related to the financial statements

There are inherent limitations in the audit procedures described above, and the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matter	***How our audit addressed the key audit matter***
Basis for tax expense OTE plc has had a tax arrangement with HMRC since 2006, whereby its tax liability is calculated based on a cost-plus method. These types of arrangements have come under increasing scrutiny in recent years and so we placed an additional focus on this area as part of our audit.	We obtained correspondence between OTE plc's tax advisors and HMRC and reviewed this with the support of our own internal tax expert. We found the assumptions on which this position is based were in line with our expectations from the nature of OTE plc's business. We also reperformed the tax computation and reviewed the disclosures included in note 9 to the financial statements. We found no material issues in this area and the disclosures acceptable.
Recognition of prior year VAT expense Following discussion with their tax advisor, OTE plc became VAT-registered in the year. Having reviewed their historic VAT position management determined that registration should have occurred a number of years ago. Accordingly, the company settled the historic amounts owed with HMRC and ultimately concluded that this constituted a prior year adjustment. Refer to note 18.	We obtained correspondence between OTE plc's external tax advisors, management and HMRC which confirmed that the Company was required to be VAT registered, and that this registration should have occurred in 2007. Whilst the annual amounts of VAT were not material, on the basis that the cumulative amount was material we agreed with management's assessment that a prior year adjustment was required. We reviewed the disclosures related to the prior year adjustment and considered them to be acceptable.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	€558,000 (2018: €560,000).
How we determined it	1% of interest expense.
Rationale for benchmark applied	We believe that as the key business of the company is raising debt to lend onto other group entities. Accordingly, the costs of raising finance is of most interest to those using these financial statements.

We agreed with the directors that we would report to them misstatements identified during our audit above €27,000 (2018: €28,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms of the United Kingdom's withdrawal from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Companies Act 2006 and ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were appointed by the directors on 20 June 2011 to audit the financial statements for the year ended 31 December 2011 and subsequent financial periods. The period of total uninterrupted engagement is 9 years, covering the years ended 31 December 2011 to 31 December 2019.

C Richmond

Christopher Richmond (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

13 March 2020

	Notes	Year ended 31/12/2019 €	Restated Year ended 31/12/2018 €
Finance income	4	56,350,934	56,574,141
Finance cost	5	(55,810,296)	(56,149,732)
Administrative expenses	6&7	(573,447)	(569,540)
Other gains and losses	8	41,737	2,911
Profit/(Loss) before tax		**8,928**	**(142,220)**
Income tax expense	9	(23,999)	(10,620)
LOSS FOR THE YEAR		**(15,071)**	**(152,840)**
Other comprehensive income/(loss) for the year, net of tax		-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		**(15,071)**	**(152,840)**
Total comprehensive expense for the year attributable to:			
Owners of the Company		(15,071)	(152,840)

The accompanying notes on pages 16 to 36 are an integral part of the financial statements

The above results were from continuing operations throughout both years.

OTE Plc
Statement of financial position
As at 31 December 2019

	Notes	31/12/19 €	Restated 31/12/2018 €	Restated 1/1/2018 €
ASSETS				
Non-current assets				
Right-of-use assets		29,955	-	-
Financial assets at amortised cost	10	892,518,401	1,157,629,960	1,100,556,472
Other assets		6,191	6,191	6,191
Total non-current assets		**892,554,547**	**1,157,636,151**	**1,100,562,663**
Current assets				
Financial assets at amortised cost	10	763,976,645	521,333,454	730,850,847
Current tax assets	11	12,023	5,063	5,784
Other current assets	11	132,148	58,125	28,466
Cash and cash equivalents		32,102,166	32,765,929	32,794,954
Total current assets		**796,222,982**	**554,162,571**	**763,680,051**
Total Assets		**1,688,777,529**	**1,711,798,722**	**1,864,242,714**
EQUITY AND LIABILITIES				
Non-current liabilities				
Borrowings	12	892,519,615	1,157,671,530	1,100,628,548
Total non-current liabilities		**892,519,615**	**1,157,671,530**	**1,100,628,548**
Current liabilities				
Trade and other payables		75,733	24,627	3,210
Short-term borrowings	12	763,789,975	521,048,056	730,404,249
Current tax liabilities	13	26,249	680,920	670,329
Current other liabilities		40,146	32,707	42,656
Total current liabilities		**763,932,103**	**521,786,310**	**731,120,444**
Total liabilities		**1,656,451,718**	**1,679,457,840**	**1,831,748,992**
Capital and reserves				
Issued capital and share premium	14	80,076	80,076	80,076
Retained earnings		32,245,735	32,260,806	32,413,646
Total equity		**32,325,811**	**32,340,882**	**32,493,722**
Total equity and liabilities		**1,688,777,529**	**1,711,798,722**	**1,864,242,714**

The accompanying notes on pages 16 to 36 are an integral part of the financial statements.

The financial statements on pages 12 to 36 were approved by the Board of Directors on 13 March 2020 and signed on behalf of the Board by:

Stuart Watson
Director

Statement of changes in equity

For the year ended 31 December 2019

	Called up Share Capital €	Other reserves €	Retained Earnings €	Total Equity €
Balance at 1 January 2018 (as previously reported)	80,076	-	33,073,340	33,153,416
Impact of restatement	-	-	(659,694)	(659,694)
Balance at 1 January 2018	**80,076**	-	**32,413,646**	**32,493,722**
Loss for the financial year (Restated)	-	-	(152,840)	(152,840)
Total comprehensive expense for the financial year (Restated)	-	-	(152,840)	(152,840)
Balance at 31 December 2018	**80,076**	-	**32,260,806**	**32,340,882**
Balance at 1 January 2019	80,076	-	32,260,806	32,340,882
Loss for the financial year	-	-	(15,071)	(15,071)
Total comprehensive expense for the financial year	-	-	(15,071)	(15,071)
Balance at 31 December 2019	**80,076**	-	**32,245,735**	**32,325,811**

The accompanying notes on pages 16 to 36 are an integral part of the financial statements.

OTE Plc
Statement of cash flows
For the year ended 31 December 2019

	Year ended 31/12/2019 €	Restated Year ended 31/12/2018 €
Cash flows from operating activities		
Profit/(Loss) before taxation	**8,928**	**(142,220)**
Adjustments for:		
Depreciation & Amortization	39,940	-
Net finance income	(536,802)	(420,722)
Foreign Exchange differences net	(38,775)	(2,911)
Loss from lease term modification	1,668	-
Changes in working capital		
Increase in trade and other receivables	(74,021)	(29,659)
Increase in trade and other payables	51,102	21,416
Increase / (Decrease) in other liabilities	(660,501)	644
Changes in working capital	**(683,420)**	**(7,599)**
Interest received	58,819,302	71,260,046
Interest paid	(58,249,941)	(70,708,632)
Tax paid	(17,689)	(9,898)
Net cash flows used in operating activities	**(656,789)**	**(31,936)**
Cash flows from investing activities		
Payments to acquire Financial Assets	(700,000,000)	(440,000,000)
Proceeds from repayment of Financial Assets	720,000,000	577,758,000
Net cash flows from investing activities	**20,000,000**	**137,758,000**
Cash flows from financing activities		
Proceeds from Guaranteed Notes	700,000,000	754,000,000
Repayments of Guaranteed Notes	(720,000,000)	(891,758,000)
Repayment of Lease Liabilities	(45,749)	-
Net cash flows used in financing activities	**(20,045,749)**	**(137,758,000)**
Net decrease in cash and cash equivalents	**(702,538)**	**(31,936)**
Cash and cash equivalents at the beginning of the year	32,765,929	32,794,954
Exchange gains on cash and cash equivalents	38,775	2,911
Cash and cash equivalents at the end of the year	**32,102,166**	**32,765,929**

The accompanying notes on pages 16 to 36 are an integral part of the financial statements.

1. General information

OTE Plc is a limited company, which was incorporated on 17 December 1999 and is domiciled in England. The address of its registered office is 1 King's Arms Yard, London, EC2R 7AF, United Kingdom.

The Company's main activity is to borrow and raise funds from the market and otherwise, for the benefit of its parent company OTE, and other OTE Group subsidiaries.

These financial statements are the standalone financial statements for the Company and have been approved for publication by the Board of Directors on 13 March 2020.

The principal accounting policies adopted by the Company are set out in Note 2.

2. Summary of significant accounting policies

2.1. Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Euro' (€), which is also the Company's functional currency. At statement of financial position dates, foreign-currency items have been translated into the functional currency with the below rates,

	Rate at balance sheet date	
	31.12.2019	**31.12.2018**
	€	**€**
1 British Pound (GBP)	1,1821	1,1125
1 U.S. dollar (USD)	0,8903	0,8721

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates (see table above) of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account and are presented within 'Other gains and losses'. Non-monetary assets and liabilities denominated in a foreign currency are translated using exchange rates at the date of the transaction. No subsequent translations are made once this has occurred.

2.3. Financial assets

The Company's financial assets comprise of loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets falling due within one year after the end of the reporting period are included in current assets, while those falling due after more than one year are presented within non-current assets. The Company's loans and receivables comprise contractual loans, receivables and cash on the balance sheet.

Loans and receivables are initially recognised at fair value less transaction costs. Subsequently, loans and receivables are carried at amortised cost using the effective interest method, less any provision for impairment.

Regarding financial assets' impairment and based on the standard for financial instruments (IFRS 9), the Company needs to measure the expected credit losses through a loss allowance at an amount equal to, a) the 12-month expected credit losses or b) full lifetime expected credit losses. A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

Loans and receivables are derecognised when the rights to receive cash flows from investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.4. Financial liabilities

The Company's financial liabilities relate to guaranteed notes issued by the Company and other liabilities arising from services acquired by the Company in the ordinary course of business from suppliers. The Company's financial liabilities are presented within the "Current" and "Non-current" liabilities and are measured at amortised cost.

Guaranteed notes issued by the Company and other liabilities are classified as financial liabilities under "Borrowings"- for those falling due after more than one year of the reporting period, and under "Short-term borrowings" for those falling due within one year after the reporting period- where the substance of the contractual arrangement results in the Company having an obligation to deliver cash to the holder. They are initially recognised at fair value, net of transaction costs incurred, and subsequently they are measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value of the guaranteed notes is recognised in the profit and loss account over the period of the notes using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the effective interest rate.

For liquidity/liability management purposes the Company may buy-back its outstanding Notes at fair value. The impact from the buyback is transferred to the profit and loss account. Such transactions are funded by equal transactions in the company's financial assets.

2.5. Cash and cash equivalents

Cash and cash equivalents may include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of two months or less.

2.6. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity, as a deduction from the proceeds.

2.7. Taxation

The tax charge is based on a "cost plus method" agreed with HM Revenue and Customs (HMRC). Namely, tax charged is based on the interest income earned from bank deposits and a 10% mark up on administrative costs.

2.8. Interest income and expenses

Interest income and expense is recognised using the effective interest rate method. When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

The Company's income relates mainly to interest income from group companies, which are mainly located within the European Union. Therefore, a geographical segmentation of income has not been prepared.

2.9. Netting-off policy

Balances with other companies of the OTE Group are stated gross, unless all of the following conditions are met:
(i) Currently there is legally enforceable right to set off the recognised amounts; and
(ii) There is intent either to settle on a net basis, or to realise the asset and settle the liability simultaneously and this takes place on a regular basis.

2.10. Related party disclosures

The Company's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

OTE S.A. is the 100% shareholder of the Company, whereas Deutsche Telekom A.G was as of 31 December 2019 a 45.96% shareholder of OTE S.A. Consequently, all the companies of OTE Group and Deutsche Telekom Group are considered related parties.
As the Company's main activity is to borrow and raise funds from the market and otherwise, for the benefit of its parent company and other OTE Group subsidiaries, many financing transactions occur during the year, e.g the Company grants and receives loans, resulting in finance income and expense. The bonds issued under the GMTN Programme are guaranteed by OTE S.A.

Amounts owed to and by the Company relating to loans granted and received, are analyzed as follows:

	31/12/2019		31/12/2018	
	Amounts owed to OTE Plc €	Amounts owed by OTE Plc €	Amounts owed to OTE Plc €	Amounts owed by OTE Plc €
OTE S.A.	1,654,187,646	-	1,322,136,022	-
Cosmote S.A.	-	-	354,519,835	-
E-value International S.A.	2,307,400	-	2,307,557	-
OTE Globe	-	10,126,163	-	20,051,420
Germanos S.A.	-	38,216,942	-	73,412,393
OTESAT Maritel S.A.	-	-	-	751,794
E-Value collection LTD	-	-	-	2,004,733
OTE Estate S.A.	-	15,165,306	-	121,815,129
Total	**1,656,495,046**	**63,508,411**	**1,678,963,414**	**218,035,469**

The Company's financial activities with its related parties comprise interest on loans granted and received and are analyzed as follows:

	2019		2018	
	Finance income OTE Plc €	Finance expense OTE Plc €	Finance income OTE Plc €	Finance expense OTE Plc €
OTE S.A.	46,512,735	-	42,294,478	-
Cosmote S.A.	9,774,174	-	14,083,822	-
E-value International S.A.	62,658	-	62,835	-
OTE Globe	-	450,354	133,000	571,526
Germanos S.A.	-	1,217,540	-	1,476,003
OTESAT Maritel S.A.	-	3,756	-	6,962
E-Value collection LTD	-	9,626	-	18,526
OTE Estate S.A.	-	358,109	-	1,330,548
Deutsche Telekom AG	-	92,066	-	-
Total	**56,349,567**	**2,131,451**	**56,574,135**	**3,403,565**

On September 24, 2019, the Company issued €500 million 7-year Notes under the GMTN Programme. Deutsche Telekom AG participated in the issuance covering €100 million out of the total amount. As of 31 December 2019, this participation remains the same.

3. Critical accounting estimates and judgments

There is one critical accounting estimate and judgment applicable to the Company:

Recoverability of debts. The Directors expect the OTE Group companies will meet their obligations towards the Company for the following reasons:

- 99.9% of the Company's intragroup loans are granted to OTE S.A., the parent company of OTE Group. All loans have specific maturity dates reflecting the time horizon for repayment;
- Based on OTE Group's business plan for the period 2020-2023, the management of the Group has assessed all the necessary refinancing plans required in order to secure the Group's operation;
- In September 2019, the Company issued new €500 million 7-yr Notes with an annual coupon of 0.875% under the GMTN Programme, the lowest achieved by OTE Group to date, reflecting the positive view of the investors to OTE Group and confirming the credit standing of the Group. Deutsche Telekom AG participated as anchor investor covering 20% of the issuance reflecting the support by OTE Group's major shareholder;
- In October 2019, Standard & Poor's ("S&P") raised the credit rating of OTE to BBB- (investment grade) from BB+, assigning a stable outlook;
- Based on historical data, no debt payment to the Company has ever been overdue as the Group closely monitors its financing payment plan and acts proactively to ensure that loan repayments occur on time; and
- OTE Group's cash balances are deposited in highly rated bank institutions and with short-term tenor therefore they are considered to be secure to be used for debt repayment.

3.1. New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years.

Standards and interpretations effective for the current financial year.

- ***IFRS 16 "Leases"*** (effective for annual periods beginning on or after January 1, 2019): IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases. IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The Company applied, for the first time, IFRS 16 "Leases", in respect of its leased office space. As of 1 January 2019, the company recognized a right of use asset (ROU) amount of €73,007 and an equal amount as a lease liability, discounting the future lease obligations for the new 2 year contract in place, using the relevant incremental borrowing rate of OTE Group. Since the rent payment is in GBP currency and the company's functional currency is EURO, the conversion rate as of 01.01.2019 was used for the ROU recognition. The termination period of the lease term was slightly amended within September 2019 (ending on 30 September 2020), resulting in a loss of €1,669. As of 31 December 2019, the Company's net ROU amounts to €29,955, and the total lease liability amounts to €25,814 which is expected to be fully settled in August 2020. The Company has not applied the new lease standard retrospectively in full, but has applied IFRS 16 using the modified retrospective method.

The Company presents a) the ROU separately under "Non-current assets" and b) lease liabilities in "short-term borrowings" in the statement of financial position.

The effect in 2019 from the adoption of IFRS 16 compared to IAS 17 is a gain of €735, as presented at the table below:

Year	IAS 17	IFRS 16				Impact on the Income Statement €
	Lease expense €	Depreciation €	Interest €	Other (FX effect, adjustment for modification of term) €	Total €	
2019	46,234	39,940	1,860	3,699	45,499	735

4. Finance income

	Year ended 31.12.2019 €	Restated year ended 31.12.2018 €
Interest income from group companies	56,349,567	56,574,135
Bank interest income	1,367	6
Total Finance Income	**56,350,934**	**56,574,141**

Finance income is derived from financial instruments held at amortized cost.

5. Finance cost

	Year ended 31.12.2019 €	Restated year ended 31.12.2018 €
Guaranteed Notes - third parties	(53,769,051)	(52,613,167)
Guaranteed Notes – group companies	(2,039,385)	(3,536,565)
Interest on finance leases	(1,860)	-
Total Finance Cost	**(55,810,296)**	**(56,149,732)**

Finance cost is derived from financial instruments held at amortized cost.

6. Administrative expenses: General

Operating loss and loss on ordinary activities before taxation is stated after charging:

	Year ended 31.12.2019 €	Restated year ended 31.12.2018 €
Wages and salaries	(46,948)	(52,155)
Social security costs	(19,127)	(36,271)
Pension costs	(1,506)	(1,094)
Staff costs	**(67,581)**	**(89,520)**
Audit fee	(30,000)	(28,800)
Fees payable to the company's auditors	**(30,000)**	**(28,800)**
Fee for Tax services	(88,047)	(46,826)
Rating agency fees	(89,394)	(56,311)
Other fees	(222,643)	(271,137)
Other professional & operating fees	**(400,084)**	**(374,274)**
Total General Administrative expenses	**(497,665)**	**(492,594)**

7. Administrative expenses: Employees and Directors

Employees

The Company employed one person during the year (**2018: one**).

Directors

The Company has six Directors (2018: six).

The aggregate emoluments as of 31 December 2019 include the corporate service fee for Company's Secretary and three Directors' quarterly fees.
As a result, the Directors' emoluments were as follows:

	Year ended 31.12.2019 €	**Restated year ended 31.12.2018 €**
Aggregate emoluments	**(75,782)**	**(76,946)**

8. Other gains and losses

	Year ended 31.12.2019 €	**Restated year ended 31.12.2018 €**
Net effect from FX differences	38,775	2,911
Old balances settlement	2,962	-
Total	**41,737**	**2,911**

9. Income tax expense

(a) Analysis of charge in year:

	Year ended 31.12.2019 €	**Restated year ended 31.12.2018 €**
Current Tax:		
Tax for the financial year	(23,999)	(10,620)
Total tax charge	**(23,999)**	**(10,620)**

(b) Tax calculation framework:

In September 2006 a final agreement on a "cost plus method" was reached between the Company and the HMRC following HMRC's enquiry into the Company's Corporation Tax Return, initially, for years 2002 and 2003. The tax enquiry covered the years from 2000 to 2004 inclusive. According to the "cost plus method", tax was computed on interest income earned from bank deposits and a 10% mark up on administrative costs. This basis was applied from

2005 and onwards resulting in current year tax of €23,999 (2018: €10,620). For the 2019 income tax calculation, the VAT expense related to prior years was taken into account while calculating the tax base for the year.

By 31 December 2019 an amount of €12,023 (2018: €5,063) has been prepaid, reducing the income tax liability to €11,867 (2018: €5,557).

10. Financial Assets at amortised cost

Financial Assets fall due within one year:

	31.12.2019 €	Restated 31.12.2018 €
Amounts owed by group companies	746,041,731	502,420,480
Accrued Interest Income	17,934,914	18,912,974
Financial Assets: amounts due within one year	**763,976,645**	**521,333,454**

Financial Assets fall due after more than one year:

	31.12.2019 €	Restated 31.12.2018 €
Amounts owed by group companies due after more than one year	892,518,401	1,157,629,960
Financial Assets: amounts due after more than one year	**892,518,401**	**1,157,629,960**

(a) Amounts owed by group companies that fall due within one year are analysed as follows:

		31.12.2019 €	Restated 31.12.2018 €
(i)	Subscription to bond issued by COSMOTE S.A. in January 2018 in the amount of €30 million maturing in January 2019. Repaid at maturity.	-	30,000,000
(ii)	Remaining amount of bond issued by COSMOTE S.A. in September 2018 in the amount of €50 million maturing in August 2019. Repaid at maturity.	-	50,000,000
(iii)	Remaining amount of bond issued by COSMOTE S.A. in September 2018 in the amount of €39 million maturing in September 2019. Repaid at maturity.	-	39,000,000
(iv)	Subscription to bond issued by COSMOTE S.A. in May 2017 of nominal amount of €35 million, maturing in November 2019. Repaid at maturity.	-	35,000,000
(v)	Subscription to bond issued by OTE S.A. in December 2015 in the amount of €150 million maturing in December 2019. A total amount of €1.3 million was prepaid in 2019. The remaining outstanding amount was repaid at maturity	-	149,323,063
(vi)	Subscription to bond issued by COSMOTE S.A. in December 2015 in the amount of €200 million maturing in December 2019. Repaid at maturity.	-	199,097,417
(vii)	Term loan granted to EVALUE -INTERNATIONAL S.A. in March 2017 in the amount of €2.25 million maturing in March 2020. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (i) below).	2,250,000	-
(viii)	Subscription to bond issued by OTE S.A. in June 2018 of nominal amount of €20 million, maturing in May 2020. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (ii) below).	20,000,000	-
(ix)	Subscription to bond issued by OTE S.A. in June 2017 of nominal amount of €20.58 million, maturing in June 2020. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (iii) below).	20,580,000	-
(x)	Subscription to bond issued by OTE S.A. in June 2018 of nominal amount of €10 million, maturing in June 2020. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (iv) below).	10,000,000	-
(xi)	Subscription to bond issued by OTE S.A. in July 2014 in the amount of €700 million maturing in July 2020. A total amount of €16 million was repurchased in 2019 by OTE S.A. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (vi) below).	683,211,731	-
(xii)	Subscription to bond issued by OTE S.A. in December 2018 of nominal amount of €10 million, maturing in June 2020. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (v) below).	10,000,000	-
(xiii)	Accrued interest receivable	17,934,914	18,912,974
	Total	**763,976,645**	**521,333,454**

(b) Amounts owed by group companies that fall due after more than one year are analysed as follows:

		31.12.2019 €	Restated 31.12.2018 €
(i)	Term loan granted to EVALUE -INTERNATIONAL S.A. in March 2017 in the amount of €2.25 million, maturing in March 2020. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (vii) above).	-	2,250,000
(ii)	Subscription to bond issued by OTE S.A. in June 2018 of nominal amount of €20 million, maturing in May 2020. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (viii) above).	-	20,000,000
(iii)	Subscription to bond issued by OTE S.A. in June 2017 of nominal amount of €20.58 million, maturing in June 2020. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (ix) above).	-	20,580,000
(iv)	Subscription to bond issued by OTE S.A. in June 2018 of nominal amount of €10 million, maturing in June 2020. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (x) above).	-	10,000,000
(v)	Subscription to bond issued by OTE S.A. in December 2018 of nominal amount of €10 million, maturing in June 2020. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (xii) above).	-	10,000,000
(vi)	Subscription to bond issued by OTE S.A. in July 2014 in the amount of €700 million, maturing in July 2020. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (xi) above).	-	697,512,925
(vii)	Subscription to bond issued by OTE S.A. in July 2018 in the amount of €400 million, maturing in July 2022.	398,026,690	397,287,035
(viii)	Subscription to bond issued by OTE S.A. in September 2019 in the amount of €500 million, maturing in September 2026.	494,491,711	-
	Total	**892,518,401**	**1,157,629,960**

There was no need for the Company to impair any debtors at the end of the reporting and the comparative year.

11. Other Current Assets and Current Tax Assets

The following table provides a breakdown of company's other current assets and current tax assets:

	31.12.2019 €	Restated 31.12.2018 €
Prepayments for various expenses/fees	132,148	58,125
Prepayments to the tax authorities	12,023	5,063
Other current assets and current tax assets	**144,171**	**63,188**

12. Financial liabilities

The following amounts fall due within one year:

	31.12.2019 €	Restated 31.12.2018 €
Guaranteed Notes-third parties	683,225,518	348,423,751
Interest payable on guaranteed notes-third parties	17,030,232	17,418,836
Guaranteed Notes-group companies	62,830,000	154,000,000
Interest payable on guaranteed notes-group companies	678,411	1,205,469
Lease liabilities	25,814	-
Total	**763,789,975**	**521,048,056**

The following amounts fall due after more than one year:

	31.12.2019 €	Restated 31.12.2018 €
Guaranteed Notes-third parties	892,519,615	1,094,841,530
Guaranteed Notes-group companies	-	62,830,000
Total	**892,519,615**	**1,157,671,530**

(a) Guaranteed notes and interest due to **third parties** falling due within one year are analyzed as follows:

		31.12.2019 €	Restated 31.12.2018 €
(i)	Guaranteed Notes issued in December 2015, in the amount of €350 million with a coupon of 4.375% p.a. maturing in December 2019 ("€350 million Notes"). A total amount of €1.3 million was repurchased in 2019. The remaining outstanding amount was repaid at maturity.	-	348,423,751
(ii)	Guaranteed Notes issued in July 2014, in the amount of €700 million with a coupon of 3.5% p.a. maturing in July 2020 ("€700 million Notes"). A total amount of €16 million was repurchased in 2019. The amount was transferred from "Amounts falling due after more than one year" (see note 12(c) (ii) below).	683,225,518	-
(iii)	Interest payable	17,030,232	17,418,836
	Guaranteed Notes-third parties	**700,255,750**	**365,842,587**

(b) Guaranteed notes and interest due to **group companies** falling due within one year are analyzed as follows:

		31.12.2019 €	Restated 31.12.2018 €
(i)	Guaranteed Notes issued in January 2018 of €30 million maturing in January 2019. Repaid at maturity.	-	30,000,000
(ii)	Guaranteed Notes issued in September 2018 of €50 million maturing in August 2019. In January 2019, €48 million Notes were repurchased, the remaining Notes were repaid at maturity.	-	50,000,000
(iii)	Guaranteed Notes issued in September 2018 of €39 million maturing in September 2019. In January 2019, €38.25 million Notes were repurchased, the remaining Notes were repaid at maturity.	-	39,000,000
(iv)	Guaranteed Notes issued in May 2017 of €35 million maturing in November 2019. Repaid at maturity.	-	35,000,000
(v)	Guaranteed Notes issued in March 2017 of €2.25 million maturing in March 2020. The amount was transferred from "Amounts falling due after more than one year" (see note 12(d) (i) below).	2,250,000	-
(vi)	Guaranteed Notes issued in June 2017 of €20.58 million maturing in June 2020. The amount was transferred from "Amounts falling due after more than one year" (see note 12(d) (ii) below).	20,580,000	-
(vii)	Guaranteed Notes issued in June 2018 of €20 million maturing in May 2020. The amount was transferred from "Amounts falling due after more than one year" (see note 12(d) (iii) below).	20,000,000	-
(viii)	Guaranteed Notes issued in June 2018 of €10 million maturing in June 2020. The amount was transferred from "Amounts falling due after more than one year" (see note 12(d) (iv) below).	10,000,000	-
(ix)	Guaranteed Notes issued in December 2018 of €10 million maturing in June 2020. The amount was transferred from "Amounts falling due after more than one year" (see note 12(d) (v) below).	10,000,000	-
(x)	Interest payable	678,411	1,205,469
	Guaranteed Notes-group companies	**63,508,411**	**155,205,469**

(c) Guaranteed notes due to **third parties** falling due after more than one year are analyzed as follows:

		31.12.2019 €	Restated 31.12.2018 €
(i)	Guaranteed Notes issued in July 2018, in the amount of €400 million with a coupon of 2.375% p.a. maturing in July 2022 ("€400 million Notes").	398,027,711	397,287,435
(ii)	Guaranteed Notes issued in July 2014, in the amount of €700 million with a coupon of 3.5% p.a. maturing in July 2020 ("€700 million Notes"). The amount was transferred to "Amount falling due within one year" (see note 12(a) (ii) above)	-	697,554,095
(iii)	Guaranteed Notes issued in September 2019, in the amount of €500 million with a coupon of 0.875% p.a. maturing in September 2026 ("€500 million Notes").	494,491,904	-
	Guaranteed Notes-third parties	**892,519,615**	**1,094,841,530**

(d) Guaranteed notes due to **group companies** falling due after more than one year are analyzed as follows:

		31.12.2019 €	Restated 31.12.2018 €
(i)	Guaranteed Notes issued in March 2017 of €2.25 million maturing in March 2020. The amount was transferred to "Amount falling due within one year" (see note 12(b) (v) above).	-	2,250,000
(ii)	Guaranteed Notes issued in June 2017 of €20.58 million maturing in June 2020. The amount was transferred to "Amount falling due within one year" (see note 12(b) (vi) above).	-	20,580,000
(iii)	Guaranteed Notes issued in June 2018 of €20 million maturing in May 2020. The amount was transferred to "Amount falling due within one year" (see note 12(b) (vii) above).	-	20,000,000
(iv)	Guaranteed Notes issued in June 2018 of €10 million maturing in June 2020. The amount was transferred to "Amount falling due within one year" (see note 12(b) (viii) above).	-	10,000,000
(v)	Guaranteed Notes issued in December 2018 of €10 million maturing in June 2020. The amount was transferred to "Amount falling due within one year" (see note 12(b) (ix) above).	-	10,000,000
	Guaranteed Notes-group companies	**-**	**62,830,000**

Creditors - Developments:

Guaranteed Notes are issued under the Global Medium Term Note Programme (GMTN Programme) of €6.5 billion and are fully and unconditionally guaranteed by OTE S.A. In an event of default, as defined in the respective Final Terms of the Notes, the Guaranteed Notes are repayable at par along with accrued interest.

Guaranteed Notes falling due after more than one year are stated net of unamortised debt issue costs of €7.5 million (31 December 2018: €5.2 million).

On May 17, 2019, the Company issued €200 million Notes, under the GMTN Programme, fully subscribed by Deutsche Telekom AG. Subsequently, the Company subscribed to a €200 million bond loan issued by OTE S.A. on 17 May 2019. Both the bond loan and the Notes were fully prepaid on June 17, 2019.

On September 24, 2019, the Company issued €500 million 7-year Fixed Rate Notes with an annual coupon of 0.875% under its €6.5 billion GMTN Programme. Deutsche Telekom AG participated in the issuance covering €100 million out of the total amount.

In October and November 2019, the Company repurchased total nominal amount of €16 million under the €700 million Notes due July 2020 and €1.3 million under the €350 million Notes that matured in December 2019.

In December 2019, the Company fully repaid at maturity the Guaranteed Notes of €348.7 million under the GMTN Programme.

Change of Control clauses:

The €700 million Notes, the €400 million Notes and the €500 million Notes include a change of control clause applicable to OTE which is triggered if an entity (other than (i) Deutsche Telekom AG, (ii) Deutsche Telekom AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than Deutsche Telekom AG) with credit rating equivalent or better than the credit rating of Deutsche Telekom AG), gains the power to direct the management and policies of OTE, whether through the ownership of voting capital, by contract or otherwise. In the event that the clause is triggered the Company is obliged to notify the bondholders, who can request (within 45 days) the repayment of their notes.

The same "Change of Control" clause is included also in the relevant back-to-back loans granted to Group subsidiaries. Hence, in case the Company is required to prepay the notes as a result of a 'Change of Control', it has the right to request prepayment of the intragroup loans/bonds, thus minimizing liquidity risk.

13. Current tax liabilities

	31.12.2019 €	Restated 31.12.2018 €
Provision for Income Tax	23,890	10,620
VAT liability	2,359	670,300
Current tax liabilities	**26,249**	**680,920**

In 2019 the Company became VAT registered with HMRC on the basis that it has been receiving services from non-UK suppliers whose amounts have exceeded the relevant VAT registration threshold. As a result, the Company paid in 2019 an amount of €684,461 to HMRC for this year's and prior years' VAT. In accordance with IAS 8, the Company restated the 2018 figures allocating the VAT effect at the appropriate accounting periods.

14. Issued capital and share premium

	31.12.2019 €	Restated 31.12.2018 €
Authorised:		
50,000 (2018: 50,000) ordinary shares of £ 1 each	£50,000	£50,000
Allotted and fully paid:		
50,000 (2018: 50,000) ordinary shares of £ 1 each	€80,076	€80,076

15. Controlling parties

The immediate parent company is Hellenic Telecommunications Organisation S.A. ("OTE"). OTE is a company incorporated in Greece, with its registered office at 99 Kifissias Avenue, 151 24 Athens. OTE is the smallest group to consolidate these financial statements. Copies of the OTE consolidated financial statements can be obtained from the website www.cosmote.gr.

Effective February 6, 2009 OTE financial statements are included in the consolidated financial statements of Deutsche Telekom AG, which has a direct participation in OTE 's paid up share capital. Deutsche Telekom AG is the largest group to consolidate these financial statements and has its registered office in Bonn, Germany. Its address is Deutsche Telecom AG, Friedrich-Ebert-Allee 140, 53113 Bonn. Copies of Deutsche Telekom AG consolidated financial statements can be obtained from the website www.telekom.com.

16. Events after the end of the reporting year

Relevant to intragroup transactions:

Up to March 10, 2020, OTE S.A. prepaid to the Company nominal amount of €17.8 million in total under the €700 million Bond due July 2020. As a result, the current outstanding nominal amount of the Bond is €666.2 million.

Respectively, the Company repurchased nominal amount of €17.8 million in total under the €700 million Notes due July 2020. The above repurchased Notes were cancelled. As a result, the current outstanding nominal amount of the Notes is €666.2 million.

On March 5, 2020, the Company issued €2.25 million Notes maturing on 4 March 2022, under the GMTN Programme, fully subscribed by Germanos SA.

On the same date, the Company granted a €2.25 million term loan to E-value International SA maturing on 4 March 2022.

17. Financial risk management

17.1. Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk and foreign exchange risk).

This note presents information about the Company's exposure to each of the above risks and management policies and procedures for measuring and managing these risks.

Macroeconomic conditions in Greece

The macroeconomic and financial environment in Greece is showing continuous signs of stability. The capital controls, initially imposed on June 28, 2015, ceased in September 2019.

OTE Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations.

The below stated risks are affected by the macroeconomic and financial volatility in Greece.

Credit risk

Credit risk is the risk that the counterparty will cause a financial loss to the Company by failing to meet its contractual obligations. Concentration of credit risk for the Company is identified in the receivables from group companies with respect to debt facilities.

Receivables from group companies relate to companies operating in Greece. The macroeconomic conditions in Greece are the main risk factors affecting the Greek companies' outlook. To mitigate this risk, OTE Group has proceeded in several cost cutting initiatives in order to streamline its operations and has achieved a significant net debt reduction.

The Company deposits its cash in highly rated banks and for a short term tenor.

The carrying amount of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

	31.12.2019 €	**Restated 31.12.2018 €**
Amounts owed by group companies:		
i) Falling due within one year	763,976,645	521,333,454
ii) Falling due after more than one year	892,518,401	1,157,629,960
Other assets falling due within one year	-	-
Other assets falling due after more than one year	6,191	6,191
Cash and cash equivalents	32,102,166	32,765,929
Total	**1,688,603,403**	**1,711,735,534**

All the bonds issued under the Global Medium Term Note Programme (GMTN) are guaranteed by OTE S.A. The credit rating for OTE S.A. as of December 31, 2019 was:

	31.12.2019	
	Moody's	Standard & Poor's
Rating	Ba2	BBB-
Outlook	Outlook Stable	Outlook Stable
Last rating change	Mar-19	Oct-19

OTE S.A. has terminated its commercial contract with Moody's and any rating issued by Moody's on the GMTN Programme or on any Notes issued under the GMTN programme is on an unsolicited basis.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

Liquidity risk is kept at low levels by ensuring that all the Company's outflows (servicing of debt) are matched with equivalent inflows via back to back agreements with group companies.

The Group's liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and/or credit facilities to meet the financial obligations falling due in the next 12 months.

For the monitoring of the liquidity risk, the Group prepares cash flow forecasts on a frequent basis.

The Company is dependent mainly on the credit standing of its parent company OTE S.A., which acts as Guarantor to all the Company's financial liabilities.

Below is an analysis by maturity of the Company's financial liabilities (including principal and interest payments) based on contractual undiscounted cash flows:

31 December 2019	Total €	Up to 1 year €	1 to 2 years €	2 to 5 years €	Over 5 years €
Guaranteed Notes	**1,731,117,746**	785,867,746	13,875,000	422,625,000	508,750,000
Suppliers	**115,879**	115,879	-	-	-
Total	**1,731,233,625**	**785,983,625**	**13,875,000**	**422,625,000**	**508,750,000**

Restated 31 December 2018	Total €	Up to 1 year €	1 to 2 years €	2 to 5 years €	Over 5 years €
Guaranteed Notes	**1,772,931,686**	555,878,940	798,052,746	419,000,000	-
Suppliers	**57,334**	57,334	-	-	-
Total	**1,772,989,020**	**555,936,274**	**798,052,746**	**419,000,000**	-

The average tenor of financial liabilities as of December 31, 2019 is 2.9 years (31 December 2018: 1.7 years).

Market risk

Market risk relevant to the Company relates to interest rate risk and foreign exchange risk. The objective of market risk management is to manage and control exposure within acceptable limits while optimizing the return on risk. Below is a detailed description of the individual market risks and the Company's policies to manage such risks.

a) Interest rate risk

The Company's interest rate risk arises from guaranteed notes issued and receivables from group companies with respect to debt facilities. At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	31.12.2019 €	Restated 31.12.2018 €
Fixed rate instruments		
Financial assets	1,656,495,046	1,678,963,414
Financial liabilities	1,656,283,776	1,678,719,586
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	-

The Company's strategy is to mitigate interest rate risk by matching interest rate payable to its creditors with interest rate receivable from its debtors. The Company manages interest rate risk by issuing primary (non-derivative) financial instruments and, where necessary, may deploy derivative financial instruments.

b) Foreign exchange risk

The Company has no material exposure to foreign exchange risk, as the majority of liabilities and assets are denominated in Euro, which is the Company's functional currency.

17.2. Capital management

The Company monitors as capital the value of its called up share capital and its retained profits. The Company's objective in managing capital is to maintain its ability to continue as a going concern. The Company manages the capital structure and may make adjustments to it in response to changes in economic conditions and the risk profile of its markets and underlying assets. The Company may adjust its capital needs by determining the amount of profit to retain and the level of debt to maintain.

17.3. Fair Value estimation

The tables below show the fair values and the carrying amounts of financial assets and liabilities measured at amortised cost in the balance sheet. The Company uses the below fair value hierarchy for fair value estimation:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

	Carrying Amount €	Estimated fair value €
Assets - 31 December 2019		
Debtors (amounts due after more than one year)	892,518,401	927,872,000
Debtors (amounts due in one year)	763,976,645	779,349,689
Cash and cash equivalents	32,102,166	32,102,166
	1,688,597,212	**1,739,323,855**

	Carrying Amount €	Estimated fair value €
Liabilities - 31 December 2019		
Guaranteed Notes (Amounts due after more than one year)	892,519,615	926,009,000
Guaranteed Notes (amounts falling due within one year)	763,764,161	778,892,377
Suppliers	115,879	115,879
	1,656,399,655	**1,705,017,256**

	Carrying Amount €	Estimated fair value €
Assets - 31 December 2018 (Restated)		
Debtors (amounts due after more than one year)	1,157,629,960	1,194,761,433
Debtors (amounts due in one year)	521,333,454	534,370,153
Cash and cash equivalents	32,765,929	32,765,929
	1,711,729,343	**1,761,897,515**

	Carrying Amount €	Estimated fair value €
Liabilities - 31 December 2018 (Restated)		
Guaranteed Notes (Amounts due after more than one year)	1,157,671,530	1,195,730,847
Guaranteed Notes (amounts falling due within one year)	521,048,056	533,902,665
Suppliers	57,334	57,334
	1,678,776,920	**1,729,690,846**

Guaranteed Notes – third parties, are traded in the secondary market. The estimated fair value of liabilities from Guaranteed Notes is determined by the market price of Notes multiplied by the nominal amount of each note and included within Level 1 of the fair value hierarchy.

The estimated fair value of Guaranteed Notes Group Companies of debtors with respect to debt facilities is determined by a price derived with the use of the yield of the Guaranteed Notes –third parties, multiplied by the nominal amount of each note and is included within the Level 2 of the fair value hierarchy.

The carrying amount of liabilities to suppliers, which fall due within one year, approximates its fair value.

The fair value of other receivables approximates the carrying amount.

18. Prior period errors- Restatement

In August 2019, the Company became VAT registered with HMRC. The Company's VAT registration resulted in an outflow of €684,461 to HMRC related to this year's and prior years' VAT.

To account properly for the aforementioned VAT effect, the Company restated the 2018 Financial Statements, in accordance with International Accounting Standard 8 ("IAS 8") *Accounting Policies, Changes in Accounting Estimates and Errors,* in order to present the VAT impact by reallocating the total effect at the appropriate accounting periods.

For each restated reporting period, relevant tables below present the restated financial statements depicting the difference in each line.

18.1 Restated statement of financial position

	Notes	As previous stated €	Restatement €	Restated figures €
		Statement of Financial Position as at 1/1/2018		
ASSETS				
Non-current assets				
Financial assets at amortised cost		1,100,556,472	-	1,100,556,472
Other assets		6,191	-	6,191
Total non-current assets		**1,100,562,663**	**-**	**1,100,562,663**
Current assets				
Financial assets at amortised cost		730,850,847	-	730,850,847
Current tax assets		5,784	-	5,784
Other current assets		28,466	-	28,466
Cash and cash equivalents		32,794,954	-	32,794,954
Total current assets		**763,680,051**	**-**	**763,680,051**
Total Assets		**1,864,242,714**	**-**	**1,864,242,714**
EQUITY AND LIABILITIES				
Non-current liabilities				
Borrowings		1,100,628,548	-	1,100,628,548
Total non-current liabilities		**1,100,628,548**	**-**	**1,100,628,548**
Current liabilities				
Trade and other payables		3,210	-	3,210
Short-term borrowings		730,404,249	-	730,404,249
Current tax liabilities	1	10,635	659,694	670,329
Current other liabilities		42,656	-	42,656
Total current liabilities		**730,460,750**	**659,694**	**731,120,444**
Total liabilities		**1,831,089,298**	**659,694**	**1,831,748,992**
Capital and reserves				
Issued capital and share premium		80,076	-	80,076
Retained earnings	1	33,073,340	(659,694)	32,413,646
Total equity		**33,153,416**	**(659,694)**	**32,493,722**
Total equity and liabilities		**1,864,242,714**	**-**	**1,864,242,714**

	Notes	Statement of Financial Position as at 31/12/2018		
		As previous stated €	Restatement €	Restated figures €
ASSETS				
Non-current assets				
Financial assets at amortised cost		1,157,629,960	-	1,157,629,960
Other assets		6,191	-	6,191
Total non-current assets		**1,157,636,151**	**-**	**1,157,636,151**
Current assets				
Financial assets at amortised cost		521,333,454	-	521,333,454
Current tax assets		5,063	-	5,063
Other current assets		58,125	-	58,125
Cash and cash equivalents		32,765,929	-	32,765,929
Total current assets		**554,162,571**	**-**	**554,162,571**
Total Assets		**1,711,798,722**	**-**	**1,711,798,722**
EQUITY AND LIABILITIES				
Non-current liabilities				
Borrowings		1,157,671,530	-	1,157,671,530
Total non-current liabilities		**1,157,671,530**	**-**	**1,157,671,530**
Current liabilities				
Trade and other payables		24,627	-	24,627
Short-term borrowings		521,048,056	-	521,048,056
Current tax liabilities	2	10,620	670,300	680,920
Current other liabilities		32,707	-	32,707
Total current liabilities		**521,116,010**	**670,300**	**521,786,310**
Total liabilities		**1,678,787,540**	**670,300**	**1,679,457,840**
Capital and reserves				
Issued capital and share premium		80,076	-	80,076
Retained earnings	2	32,931,106	(670,300)	32,260,806
Total equity		**33,011,182**	**(670,300)**	**32,340,882**
Total equity and liabilities		**1,711,798,722**	**-**	**1,711,798,722**

18.2 Restated statement of comprehensive income

	Notes	As previous stated €	Restatement €	Restated figures €
		Year ended 31/12/2018		
Finance income		56,574,141	-	56,574,141
Finance cost		(56,149,732)	-	(56,149,732)
Administrative expenses	3	(558,934)	(10,606)	(569,540)
Other gains and losses		2,911	-	2,911
Loss before tax		**(131,614)**	**(10,606)**	**(142,220)**
Income tax expense		(10,620)	-	(10,620)
LOSS FOR THE YEAR		**(142,234)**	**(10,606)**	**(152,840)**
Other comprehensive income for the year, net of tax		-	-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		**(142,234)**	**(10,606)**	**(152,840)**

18.3 Reconciliation of equity

	As at 01/01/2018 €	As at 31/12/2018 €
Total equity as previous reported	33,153,416	33,011,182
Restatement effect	(659,694)	(670,300)
Total equity after restatements	32,493,722	32,340,882

18.4 Restated Statement of cash flows

	Notes	As previous stated €	Restatement €	Restated figures €
		Year ended 31/12/2018		
Cash flows from operating activities				
Profit/(Loss) before taxation	3	**(131,614)**	**(10,606)**	**(142,220)**
Adjustments for:			-	
Net finance income		(420,722)	-	(420,722)
Foreing Exchange differences net		(2,911)	-	(2,911)
Changes in working capital			-	
Increase in trade and other receivables		(29,659)	-	(29,659)
Increase in trade and other payables		21,416	-	21,416
Increase / (Decrease) in other liabilities	3	(9,962)	10,606	644
Changes in working capital		**(18,205)**	**-**	**(7,599)**
Net cash flows used in operating activities		**(31,936)**	**-**	**(31,936)**
Net cash flows from investing activities		**137,758,000**	**-**	**137,758,000**
Net cash flows used in financing activities		**(137,758,000)**	**-**	**(137,758,000)**
Net decrease in cash and cash equivalents		**(31,936)**	**-**	**(31,936)**
Cash and cash equivalents at the beginning of the year		32,794,954	-	32,794,954
Exchange gains on cash and cash equivalents		2,911	-	2,911
Cash and cash equivalents at the end of the year		**32,765,929**	**-**	**32,765,929**

18.5 Notes to the restatements

1) Amount of €659,694 relates to the VAT liability for year 2017 and prior years. This is reflected with an increase of the tax liability and a decrease of the Company's retained earnings in 2017 figures.

2) Amount of €670,300 relates the cumulative VAT liability for year 2018 and prior years (see note 1). The VAT expense for the year 2018 amounts to €10,606. This is reflected with an increase of the tax liability and a decrease of the Company's P&L result (loss) in 2018 figures.

3) Amount of €10,606 relates to the VAT expense for year 2018, see also note 2.