

## **COSMOTE GROUP FULL YEAR 2007 FINANCIAL RESULTS<sup>1</sup>**

### ***STRONG OPERATING PERFORMANCE SETTING THE FOUNDATIONS FOR FUTURE GROWTH***

**Revenues €3,060.3 mil (+28.5%)**  
**EBITDA €985.9 mil (+12.5%) - EBITDA margin 32.2%**  
**Net Income €361.3 million (+0.2%)**  
**Group subscribers 15.5 million (+39.1%)**

Athens, March 19<sup>th</sup>, 2008

#### **1. OVERVIEW – CONSOLIDATED PERFORMANCE**

COSMOTE MOBILE TELECOMMUNICATIONS S.A., the mobile operator with the widest presence in South East Europe, announces consolidated operational and financial results for the fiscal year ended December 31<sup>st</sup>, 2007, under IFRS. COSMOTE operates in five countries, namely, Greece, Albania, Bulgaria, FYROM and Romania, through COSMOTE Greece, AMC, GLOBUL, COSMOFON and COSMOTE Romania respectively. Since October 2006 COSMOTE is also consolidating GERMANOS.

2007 has been a year of very strong operational performance in all markets, with COSMOTE gaining share in the mature Greek market and in its recently established Romanian operation while substantially expanding its customer base in Albania, Bulgaria and FYROM despite aggressive new entrants in the latter two countries.

This performance has been primarily the result of GERMANOS' contribution to subscriber acquisitions. A full year after consolidation, GERMANOS is exceeding its customer addition targets, with 839k net adds in Q4 alone and over 2.4 million for the year. Total net subscribers added in Q4 reached a total of 1.5 million in all five countries of operations, a significant improvement from the 1.25 added in Q4 2006. The high subscriber growth in Q4 brought total adds for the Group during 2007 to 4.4 million, and the total base to 15.5 million customers, a 39.1% customer growth from 2006.

The 15 million customer base benchmark that was set as a 2009 target has already been exceeded at the end of 2007, as a result of the Group's successful strategy throughout the markets of its presence. In turn, this has been based on significant advantages, relative to competition, in distribution, network quality and innovative offers.

**Consolidated revenue** growth for the twelve months reached 28.5% y-o-y and excluding the GERMANOS impact, approximately 14.2%. In Q4, consolidated revenue growth reached 7.7%, driven by strong performance by all mobile operating units. Notably, revenue growth in Q4 accelerated in Greece and in GERMANOS compared to the 9 month's rate. The increased contribution of GERMANOS to COSMOTE sales, whilst a key operational target leading subscriber

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<sup>1</sup> Audited.

growth and better customer control at Group level, also implied higher intra-group sales, increasing consolidation eliminations relative to initial targets.

In Greece, COSMOTE continued to drive sales growth through increasing subscriber numbers and gaining market share, as the net adds share during 2007 reached 49%. At the same time, positive usage elasticity is leading to significant traffic growth, resulting in significant outgoing revenue growth. As a result, ARPU declines have been contained, despite aggressive pre-paid price reductions. In Albania, AMC continued its strong performance, with revenues driven by post paid subscriber expansion; in Bulgaria, GLOBUL succeeded in sustaining fast revenue growth with a further improvement in its margin, in a highly competitive environment; COSMOFON in FYROM continues its upward path improving steadily its EBITDA profitability and achieving positive net income for the first time on a full year basis; COSMOTE Romania continues attracting strong subscriber numbers reaching a c.16% market share, on track to meet its benchmark financial target of positive EBITDA in 2008. GERMANOS is now an integral part of the Group's strategy, focusing on the retail and wholesale distribution competitive advantage, thus driving the Group's growth. GERMANOS, by increasing substantially its net additions to COSMOTE in all regions of common operations, now accounts for c.58% of total Group net additions (ex Albania) in 2007.

	COSMOTE Greece	AMC	GLOBUL	COSMOFON	COSMOTE Romania	COSMOTE Group
<b>Net adds Q4 07</b>	329,261	59,736	215,672	52,165	798,215	1,455,049
<b>Net adds Q4 06</b>	193,990	89,314	389,379	22,180	555,918	1,250,781
<b>Customers 12M 07</b>	6,268,627	1,195,183	3,872,922	593,026	3,616,274	15,546,032
<b>Growth y-o-y</b>	<b>20.1%</b>	<b>20.7%</b>	<b>18.4%</b>	<b>25.5%</b>	<b>195.1%</b>	<b>39.1%</b>

**Consolidated EBITDA** increased by 3.2% in Q4 and 12.5% in the twelve months. EBITDA was affected by certain one-off items, mainly at the COSMOTE Greece level, of about €10 million. Of this total, approximately €3.5 million were taken in Q4. Adjusting for those items, EBITDA growth would have reached 13.7% for the full year. Given these one-off non-operating items, the continuing improvement in international operations and the steady growth in Greece, the Group is on track to resume faster EBITDA growth in future quarters.

**Group net income** increased marginally in 2007. In Q4, net income was negatively affected by increased financial and depreciation expenses due to higher capital expenditure.

**SUMMARY FINANCIAL DATA FOR THE 4<sup>th</sup> QUARTER OF 2007**  
(1.10.2007–31.12.2007)

IFRS (audited) (Amounts in mil. €)	COSMOTE Greece	AMC	GLOBUL	COSMOFON	COSMOTE Romania	GERMANOS GROUP	Consolidated		
							Q4-07	Q4-06	Δ
<b>Revenues</b>	441.4	46.1	110.9	15.8	50.4	304.3	809.3	751.8	7.7%
<b>EBITDA*</b>	177.7	27.7	43.8	5.0	-11.8	7.5	240.5	233.1	3.2%
<b>EBITDA margin</b>	<b>40.3%</b>	<b>60.1%</b>	<b>39.5%</b>	<b>31.6%</b>	<b>n/a</b>	<b>2.5%</b>	<b>29.7%</b>	<b>31.0%</b>	<b>-1.3pp</b>
<b>Net Income</b>	80.7	14.7	13.8	0.9	-53.2	2.7	85.4	86.6	-1.4%
<b>Net Inc. margin</b>	<b>18.3%</b>	<b>31.8%</b>	<b>12.4%</b>	5.7%	<b>n/a</b>	<b>0.9%</b>	<b>10.6%</b>	<b>11.5%</b>	<b>-0.9pp</b>

\* Defined as Earnings before depreciation, net financial expenses and other non operating expenses and revenues, tax and minority interests. EBITDA is a financial indicator defined and used by the Company and is not being reviewed by the auditors.



**SUMMARY FINANCIAL DATA FOR THE YEAR 2007**  
**(1.1.2007–31.12.2007)**

IFRS (audited) (Amounts in mil. €)	COSMOTE Greece	AMC	GLOBUL	COSMOFON	COSMOTE Romania	GERMANOS GROUP	Consolidated		
							12M-07	12M-06	Δ
Revenues	1,735.9	176.2	412.1	62.2	155.6	992.6	3,060.3	2,382.3	28.5%
EBITDA	724.4	109.3	161.7	19.3	-39.2	31.7	985.9	876.2	12.5%
EBITDA margin	<b>41.7%</b>	<b>62.0%</b>	<b>39.2%</b>	<b>31.0%</b>	<b>n/a</b>	<b>3.2%</b>	<b>32.2%</b>	<b>36.8%</b>	<b>-4.6pp</b>
Net Income	339.2	60.9	53.2	0.1	-118.4	14.2	361.3	360.5	0.2%
Net Inc. margin	<b>19.5%</b>	<b>34.6%</b>	<b>12.9%</b>	0.1%	<b>n/a</b>	<b>1.4%</b>	<b>11.8%</b>	<b>15.1%</b>	<b>-3.3pp</b>

### Group Capital Expenditure, Debt

Total Group capital expenditure reached approximately €547 million in the twelve months 2007, in line with updated guidance given with the Q3 results. Romania continued to absorb the majority (c. €201 million), investing heavily to expand its network capacity. Greece absorbed €146 million and Bulgaria a further €127 million. Increased customer intake, resulting in substantial traffic growth in all markets led to increased capital investments. However, as the Romanian network rollout has reached competitive levels, capital expenditure in the next two years is expected to be reduced compared to 2007.

At the end of 2007, Group net debt stood at €2.5 billion.

## 2. OPERATIONS' REVIEW

### **2.1 GREECE – COSMOTE: Steadily leading the market in subscriber additions**

Capturing 49% of net additions in the market during 2007, COSMOTE continued its strong performance driven by increasing customer levels and market share. Indeed, it is estimated that, excluding “fixed” service subscriptions offered by competitors, COSMOTE’s share in net additions of mobile contract customers exceeded 65% in 2007. During the year, COSMOTE Greece added c.1.1 million customers, of which 31% in Q4. Once again, sustaining the trend since the acquisition of Germanos in Q4 2006, COSMOTE maintained a clear lead in net additions, further strengthening the company’s leading position and market share in the Greek mobile market.

During Q4 07 COSMOTE Greece added 70,609 net new contract subscribers, double the number added in Q4 06, and 258,652 net new pre-paid subscribers bringing the total number of customers at the end of 2007 to almost 6.3 million, 20% higher than a year ago. This is a 5<sup>th</sup> consecutive quarterly record in net adds. GERMANOS is continuing its strong contribution, having generated 79% of the quarterly net post-paid subscriber additions. Total contract customers at the end of 2007 reached 2.039 million (+10% y-o-y) while pre-paid customers reached 4.229 million.

At the same time, voice traffic (outgoing & incoming) during the quarter continued its upward path, increasing by 33%. Total outgoing minutes increased by 40.7% in Q4 and by 35.5% in the 12 months, as both the post and the prepaid segments showed higher usage. As a result, outgoing voice revenues increased by 12.4% for the full year, reaffirming the strong positive

**Customer  
Base & Traffic  
Evolution**



elasticity that COSMOTE has been able to drive from its subscriber base for several consecutive quarters.

While the Greek market is reaching maturity phase, COSMOTE continued its revenue growth, driven by voice, as it has been steadily increasing its market share in subscribers, traffic and revenues. Based on a strategy that focuses on extensive and quality distribution, best-in-class telecommunications network in both 2G and 3G networks and innovative and competitive offerings, COSMOTE is well placed to exploit further top line growth.

**Summary Financial Results for COSMOTE Greece for the 3 & 12 months ended December 31<sup>st</sup>, 2007 & 2006**

(Amounts in mil. €, audited)	Q4-07	Q4-06	Δ	FY-07	FY-06	Δ
<b>Revenues</b>	441.4	412.6	7.0%	1,735.9	1,630.6	6.5%
<b>EBITDA</b>	177.7	176.1	0.9%	724.4	702.1	3.2%
<b>EBITDA margin</b>	<b>40.3%</b>	<b>42.7%</b>	<b>-2.4pp</b>	<b>41.7%</b>	<b>43.1%</b>	<b>-1.4pp</b>
<b>Net Income</b>	80.7	77.1	4.7%	339.2	344.7	-1.6%
<b>Net Income margin</b>	<b>18.3%</b>	<b>18.7%</b>	<b>-0.4pp</b>	<b>19.5%</b>	<b>21.1%</b>	<b>-1.6pp</b>

**Revenues**

In Q4, revenue growth reached 7% bringing the 2007 growth to 6.5%. Notably, revenue growth in the second half of the year, at 7.3%, has accelerated significantly compared to the first half when revenue growth was 5.6%. This result has been achieved despite a significant tariff reduction in segments of the prepaid market and aggressive post paid seasonal offers effected during Q4.

**Outgoing** voice revenues rose by 11.8% vs Q406, driven by both the post- and the pre-paid market segments. Specifically, post paid outgoing voice revenue increased by over 9% and pre-paid by 21%, despite the aggressive pricing environment. Total outgoing revenues increased by 10.5% in Q4 and 10.7% in 2007 compared to the same period last year, continuing the steady upward trend.

**Incoming** revenues, having been impacted by the termination rate cuts during 2007, were down by 4.2% compared to Q4 06 and account for c.20.5% of total Q4 07 revenues. The incoming revenue decline has been limited to 3.8% in H2 compared to 5.3% in H1. F2M revenues account for 6.9% of total revenues for the quarter. Notably, incoming minutes increased by over 16% both for the quarter and the full year limiting the negative impact of the 23% rate cut compared to FY 2006.

**Data** revenues (which include SMS, MMS, i-mode<sup>®</sup> and other data revenues from Value Added Services) represent 9.8%<sup>2</sup> of total telecommunication revenues for the full year. SMS revenues registered a limited decline, mainly due to SMS – inclusive offers in the pre-paid segment. Non-SMS data revenues stand at just over 2% of total Greek revenues, showing a significant growth since pervious quarters. COSMOTE plans to increasingly focus on driving this untapped potential in the coming quarters, exploiting its significant competitive advantage in 3G & HSPA coverage.

**Visitor roaming** revenues for the quarter show a 4.1% increase compared to Q4 06. For the full year however, they show a c.9% decline due to an estimated 9.2% average wholesale rate decline in the eight months to August and a further 17.8% decline in September, which were partially offset by a c.8.2% increase in traffic for the full year compared to 2006.

<sup>2</sup> Data revenues amount to € 167.1 million (of which € 116.1 million from SMS)



**EBITDA**

**EBITDA** in Greece increased by 3.2% for the full year to 724.4 million Euros and 1% in Q4, as the margin declined in the year to 41.7% from 43.1% in 2006. On the revenue side, the margin decline is due to the lower interconnection and roaming revenues resulting from regulatory changes. On the cost side, EBITDA has been adversely affected by one-off charges of approximately 10 million Euros during the year. Adjusting for those, the annual EBITDA margin would have reached 42.3%. In addition, the record number of gross customer additions during 2007, and especially in Q4, up by 44% compared to Q4 06, led to a relatively lower 38% rise in distribution expenses, while the corresponding revenue contribution is expected to come in future periods. Notably, in the quarter, G&A costs were reduced by 8.4%.

**Net Income**

COSMOTE Greece **Net Earnings** for the full year amounted to € 339.2million and €80.7million for the fourth quarter. The factors affecting EBITDA outlined above have also limited net income growth to 4.7% for Q4. Net income has also been influenced by the increased financial expenses compared to 2006 leading to the 1.6% decline in reported net income for the full year.

	<b>FY-06</b>	<b>Q1-07</b>	<b>H1-07</b>	<b>9M-07</b>	<b>FY-07</b>
AMOU, blended (min)	153	153	163	169	170
ARPU, blended (€)	29.9	26.6	27.2	27.9	27.2
Total Customer base	5,217,927	5,428,925	5,683,633	5,939,366	6,268,627

**AMOU**

**Blended AMOU** in the twelve months increased by c. 12% to 170 minutes compared to 2006, sustaining the trend of previous quarters, driven mainly by pre-paid AMOU, given the elasticity response, following significant tariff reductions during this period in certain categories of this segment. Post paid AMOU for the period increased by approximately 6%.

**ARPU**

**Blended ARPU** for 2007, at €27.2 declined by c. 9% compared to a year ago, a similar decline as in previous quarters. Given the declines evidenced by competition, COSMOTE's ARPU has shown significantly more resilience. As a result, COSMOTE's ARPU trends have, for the first time, exceeded those of the competition during Q4 2007. Continuing existing trends, the post paid ARPU decline was limited, while outgoing post paid ARPU was higher than a year ago. The ARPU decline is therefore related primarily to a decline in prepaid ARPU, due to the fast customer base growth and a reduction in the incoming ARPU, which in turn resulted from the lower termination rates.

**2.2 ALBANIA - AMC: Ongoing strong performance**

AMC during Q4 captured 59,736 net new additions bringing its total customer base at the end of the year to c. 1.2 million, a 20.7% increase compared to 2006 and continued its strong revenue and EBITDA growth path.

***Summary Financial Results for AMC for the 3 & 12 months ended December 31<sup>st</sup>, 2007 & 2006***

(Amounts in mil. €, audited)	<b>Q4-07</b>	<b>Q4-06</b>	<b>Δ</b>	<b>FY-07</b>	<b>FY-06</b>	<b>Δ</b>
<b>Revenues</b>	46.1	40.9	12.8%	176.2	151.0	16.7%
<b>EBITDA</b>	27.7	25.5	8.7%	109.3	91.0	20.1%
<b>EBITDA margin</b>	<b>60.1%</b>	<b>62.3%</b>	<b>-2.2pp</b>	<b>62.0%</b>	<b>60.3%</b>	<b>+1.7pp</b>
<b>Net Income</b>	14.7	13.9	5.7%	60.9	49.9	22.1%
<b>Net Income margin</b>	<b>31.8%</b>	<b>33.9%</b>	<b>-2.1pp</b>	<b>34.6%</b>	<b>33.0%</b>	<b>+1.6pp</b>



AMC's **revenues** for the full year were 16.7% higher than a year ago, as a result of the significant expansion of its customer base and a 22.2% increase in traffic compared to 2006, which during all quarters was mainly by contract customers. Continuing on the trends of previous quarters, post paid outgoing voice revenue increased by almost 50% for the 12 months and approximately 42% in Q4. AMC's **EBITDA** grew by 20.1% in 2007 on a 62.0% margin, as a result of cost containment, mainly in interconnection, as well as the positive take up of new SMS offers, VAS, the positive elasticity on international pricing and c. 60k net adds in the quarter. **Net income** increased by 22.1% for the full year and 5.7% in Q4 with the **net income margin** at 34.6% for the full year.

	<b>FY-06</b>	<b>Q1-07</b>	<b>H1-07</b>	<b>9M-07</b>	<b>FY-07</b>
AMOU, blended (min)	60	58	58	60	59
ARPU, blended (€)	15	14	14	14	14
Total Customer base	990,279	1,024,492	1,090,939	1,135,447	1,195,183

**Blended AMOU** for the period reached 59 minutes, while **blended ARPU** for the same period remained stable at €14.

### **2.3 BULGARIA - GLOBUL: Improvements on all fronts**

During 2007 GLOBUL continued its strong revenue growth rate, at 20.4% while posting a significant margin improvement of 230 bps compared to FY 2006 and sustaining its market share in a highly competitive market environment and despite very strong post paid customer intake.

GLOBUL captured again a significant share of post paid market net additions, increasing its post paid customer base by c.46% compared to FY 2006, to a large extent by incentivising pre-to-post migration. Total net additions for the quarter amounted to 215,672 bringing GLOBUL's total customer base at the end of the year at c.3.9 million, an 18.4% increase y-o-y.

### ***Summary Financial Results for GLOBUL for the 3 & 12 months ended December 31<sup>st</sup>, 2007 & 2006***

(Amounts in mil. €, audited)	<b>Q4-07</b>	<b>Q4-06</b>	<b>Δ</b>	<b>FY-07</b>	<b>FY-06</b>	<b>Δ</b>
<b>Revenues</b>	110.9	93.3	18.9%	412.1	342.3	20.4%
<b>EBITDA</b>	43.8	34.3	27.5%	161.7	126.3	28.0%
<b>EBITDA margin</b>	<b>39.5%</b>	<b>36.8%</b>	<b>+2.7pp</b>	<b>39.2%</b>	<b>36.9%</b>	<b>+2.3pp</b>
<b>Net Income</b>	13.8	6.0	130.4%	53.2	32.4	63.9%
<b>Net Income margin</b>	<b>12.4%</b>	<b>6.4%</b>	<b>+6.0pp</b>	<b>12.9%</b>	<b>9.5%</b>	<b>+3.4pp</b>

**Revenues** increased by 18.9% in Q4 and by 20.4% to € 412.1 million for the full year, driven yet again by increased traffic, which is mainly the result of the post paid segment usage increase, up by almost 80% for the full year, leading to c.28% outgoing post paid voice revenue growth. Core service revenues for 2007 (monthly fees, airtime, SMS & data) were up by 21.7%, reflecting usage patterns and the significant customer mix improvement in recent quarters (monthly fees up by 23% y-o-y).

GLOBUL's **EBITDA** increased by 28% y-o-y amounting to 161.7 million Euros for the full year while the **EBITDA margin** for 2007 reached 39.2%, up by 230 bps compared to 2006, an improvement achieved during a period of strong post paid subscriber additions. The focus on cost containment and ongoing tight control of several cost items, including network and marketing expenses, continue to have a positive impact in margin enhancement.

**Net income** increased by 63.9% y-o-y compared to FY 2006, positively affected by the reduction in the corporate tax rate.



	<b>FY-06</b>	<b>Q1-07</b>	<b>H1-07</b>	<b>9M-07</b>	<b>FY-07</b>
AMOU, blended (min)	71	83	88	92	97
ARPU, blended (€)	10	9	10	10	10
Total Customer base	3,270,878	3,401,862	3,573,172	3,657,250	3,872,922

GLOBUL's **blended AMOU** for 2007 reached 97 minutes, up by c.37% y-o-y, as a result of the increasing share of post paid customers in its subscriber base and several other commercial initiatives driving usage. **Blended ARPU** remained stable at 10 Euros.

#### ***2.4 FYROM - COSMOFON: Turning net income positive***

COSMOFON for the first time since it launched operations achieved positive net income profitability on a full year basis and continued to show steady improvement of its operating profitability. While the competitive environment intensified during Q4 with the launch of a 3<sup>rd</sup> operator at the end of September, COSMOFON added a total of 52,165 net new additions during the quarter, reaching a total customer base of 593,026 at the end of the year, a 25.5% increase compared to 2006. Notably, through GERMANOS, COSMOFON managed to improve significantly its customer mix, with contract customers rising from c.14% of the total customer base at the end of 2006 to c.18% at the end of 2007.

#### ***Summary Financial Results for COSMOFON for the 3 & 12 months ended December 31<sup>st</sup>, 2007 & 2006***

(Amounts in mil. €, audited)	<b>Q4-07</b>	<b>Q4-06</b>	<b>Δ</b>	<b>FY-07</b>	<b>FY-06</b>	<b>Δ</b>
<b>Revenues</b>	15.8	14.2	11.2%	62.2	53.7	15.8%
<b>EBITDA</b>	5.0	1.4	257.9%	19.3	9.3	107.1%
<b>EBITDA margin</b>	<b>31.6%</b>	<b>9.8%</b>	<b>+21.8pp</b>	<b>31.0%</b>	<b>17.3%</b>	<b>+13.7pp</b>
<b>Net Income</b>	0.9	-3.3	127.3%	0.1	-8.0	100.8%
<b>Net Income margin</b>	<b>5.7%</b>	n/a	n/a	0.1%	n/a	n/a

**Revenues** increased by 15.8% in 2007 to 62.2 million Euros. Revenue growth is the result of increasing outgoing voice revenues on the post paid side (+34% for the full year) and the increase in the post paid subscriber base (+c.65% y-o-y), as indicated in the increase in revenues from monthly fees, up by c.47.6% for the full year. Total outgoing voice revenues increased by 23% y-o-y for the twelve months.

The post paid customer base expansion is reflected in the **blended ARPU**, stable at 10 Euro, despite the significant increase in the total customer base while **blended AMOU** increased by c. 48.5% for the twelve months compared to the same period last year.

COSMOFON is steadily improving its profitability, with the **EBITDA margin** reaching 31% in 2007. The improvement is the result of both scale and the ongoing containment of specific cost items such as network. COSMOFON reported a positive net income of 0.1 million Euros for the first time on a full year basis.

	<b>FY-06</b>	<b>Q1-07</b>	<b>H1-07</b>	<b>9M-07</b>	<b>FY-07</b>
AMOU, blended (min)	57	73	81	85	85
ARPU, blended (€)	10	10	10	11	10
Total Customer base	472,501	497,637	515,785	540,861	593,026



## **2.5 ROMANIA – COSMOTE ROMANIA: Accelerating momentum**

COSMOTE Romania is continuing its impressive performance capturing over half of the total market's net additions in Q4, with almost 800k net subscribers and reaching a total of over 3.6 million customers at the end of the year, an estimated 16% market share, in just 2 years of commercial operations.

Significantly, over 23% of total net additions during the quarter were post paid customers, building on the trend first observed during Q3, with COSMOTE Romania expanding its post paid customer base by 41% on sequential quarters. This significant improvement compared to the performance so far, attests that the commercial policies introduced in late Q2 are paying off but also that the company's competitive edge in distribution is instrumental in maintaining its strong momentum and accelerating its significant inroads in the post paid segment, now that the telecom network has reached competitive quality.

COSMOTE Romania, having reached today over 98.2% population and 87.5% geographical coverage, achieving parity with the competition in only 2 years, and network quality which is often exceeding the competition, invested heavily during 2007 to achieve these goals and to expand its capacity, given the strong subscriber numbers. This has necessitated an increase in capital expenditure requirements in 2007, which reached c. 201 million Euros at the end of 2007.

### ***Summary Financial Results for COSMOTE Romania for the 3 & 12 months ended December 31<sup>st</sup>, 2007 & 2006***

(Amounts in mil. €, audited)	<b>Q4-07</b>	<b>Q4-06</b>	<b>Δ</b>	<b>FY-07</b>	<b>FY-06</b>	<b>Δ</b>
<b>Revenues</b>	50.4	17.2	192.6%	155.6	43.8	255.5%
<b>EBITDA</b>	-11.8	-19.4	39.1%	-39.2	-65.7	40.4%
<b>Net Income</b>	-53.2	-25.4	-109.0%	-118.4	-91.6	-29.2%

**Revenues** for Q4 07 reached 50.4 million Euro compared to 17.2 million in Q4 06 and amounted to 155.6 million for the full year compared to 43.8 million a year ago. Reported blended ARPU for the full year was 5.6 Euros, continuing to be affected by the ongoing fast subscriber growth and the aggressive pre paid commercial policies. It is estimated however, since Q3 07, that the ARPU of residential post paid subscribers is already reaching similar levels to that of the competition's new additions.

As the company's penetration of the post paid segment is growing further, **EBITDA** losses for Q4 were slightly higher than Q3, at 11.8 million Euro, due to a significantly higher number of post paid additions in Q4 – notably mostly on 24 month contracts - resulting to a total of 39.2 million Euro for the full year. The successful initial penetration of this segment along with ongoing significant expansion of its customer base during the second half of 2007 has limited the opportunity to show a significant EBITDA improvement in 2007. The customer acquisition strategy however is expected to payback in 2008, leading to the positive EBITDA target of the company on an enlarged revenue base.

**Net Income** in Romania for 2007 reached -118.4 million, negatively affected by two sequential quarters of the local currency depreciation, which resulted to an approximately further c.27.6 million non cash FX losses during Q4, from c.19 million losses in Q3 versus c. 16 million gain in Q2. The bulk of this is generated due to the company's Euro denominated debt liabilities to COSMOTE Greece. In addition, COSMOTE Romania's high investments are continuing to lead to higher depreciation.



	<b>FY-06</b>	<b>Q1-07</b>	<b>H1-07</b>	<b>9M-07</b>	<b>FY-07</b>
ARPU, blended (€)	5.0	5.8	6.2	6.0	5.6
Total Customer base	1,225,603	1,859,023	2,216,465	2,818,059	3,616,274

## ***2.6 GERMANOS: Exceptional operating performance***

GERMANOS is the main driver of the group's subscriber expansion in all markets, resulting in market share gains especially in the post paid segment, qualitative improvements in the customer base, leading ultimately to the Group's strong revenue growth. Overall, during 2007, GERMANOS contributed c. 2.4 million net subscribers to the Group from 1.2 million during 2006.

GERMANOS's ability to increase its customer base despite changing its operating model to being an exclusive COSMOTE distributor for mobile telephony has been critical to the market share expansion in Romania, Bulgaria and Greece. It is notable that in Greece, since the acquisition of GERMANOS, COSMOTE has maintained the lead in mobile customer additions, both in the post and pre-paid segments, setting new records every quarter and capturing 49% of the total market net additions during the year, of which GERMANOS has contributed c.87%.

Compared to Q4 2006, the first quarter of consolidation, in Q4 2007, net post paid customers through GERMANOS in Greece have increased by 64.4% and in Romania by 144.2%. This success highlights GERMANOS's pivotal role in driving the post paid market share gains in Greece and the significant inroads achieved in the post paid section in Romania. Overall, compared to 2006, GERMANOS has increased total net post paid additions to the Group by 112%, and significantly in all markets of common operation: by 84% in Greece, 256% in Romania, 55% in Bulgaria and 35% in FYROM.

Store visitability has increased in all countries of operation: +8% in Greece, +34% in Bulgaria, +31% in Romania and +32% in FYROM.

In terms of the stand-alone financial performance, GERMANOS reported 992.6 million Euro revenues and EBITDA of 31.7 million, resulting in an EBITDA margin of 3.2% for the full year. Increasingly, the main contribution of GERMANOS to COSMOTE Group is through the rising subscriber numbers which drive revenue and profit growth in the mobile operating units. More than a year since the acquisition, GERMANOS' operating results have exceeded initial targets.

During the year GERMANOS expanded its own branded stores from a total of 610 at the end of 2006 to 769 stores at the end of 2007.

### ***Summary Financial Data for GERMANOS GROUP for the 3 & 12 months ended December 31<sup>st</sup>, 2007***

(Amounts in mil. €, audited)	<b>Q4-07</b>	<b>FY-07</b>
<b>Revenues</b>	304.3	992.6
<b>EBITDA</b>	7.5	31.7
<b>EBITDA margin</b>	<b>2.5%</b>	<b>3.2%</b>
<b>Net Income</b>	2.7	14.2
<b>Net Income margin</b>	<b>0.9%</b>	<b>1.4%</b>



**COSMOTE Group Deputy CEO Michael Tsamaz noted:** "In 2007, the operating performance of all our units has been excellent, with market share gains providing tangible proof of our competitive strengths, while setting the foundations for future growth. To maintain these strong positions and continue improving our financial performance in the future, we are planning new initiatives on all fronts and in all markets. Closer cooperation with the OTE Group will generate both revenue and cost synergies in coming quarters."

**COSMOTE Group Chairman & CEO Panagis Vourloumis added:** "The competitive environment in which COSMOTE operates is becoming increasingly challenging, not only in Greece but in all our markets. Existing distinctions between providers of telecommunications services are becoming increasingly blurred as powerful international groups offer solutions straddling traditional boundaries. It is in this context that we have decided to strengthen the cohesion and integration of the OTE Group through a buy-out of COSMOTE minority shareholders. The success of this transaction enables us to build an even stronger organisation and to consolidate the Group's positions in South East Europe."

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### **Note on Forward-looking Statements:**

Some of the statements in this document are "forward-looking statements". Forward-looking statements are derived from information that we currently have and assumptions that we make. Words such as "believes", "anticipates", "targets", "expects", "intends", "seeks", "will", "plans", "could", "may", "projects" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We cannot assure that anticipated results will be achieved, since results may differ materially because of both known and unknown risks and uncertainties which we face. Save as required by law or regulation, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, different anticipations or otherwise.

Factors that could cause actual results to differ materially from our forward-looking statements include, but are not limited to, the following:



- the effects of domestic and foreign economic and political conditions, and conditions which affect the market for electronic communications services;
- changes in the laws, rules and regulations which apply to our company and its affiliates, including changes to permitted tariffs;
- the effects of competition from other providers of electronic communications services;
- risks that we face in entering new markets and diversifying the products and services we offer;
- unexpected turnover of professional staff;
- changing trends and inherent uncertainties in the electronic communications industry;
- the ability to attain adequate prices, obtain new business and to retain existing business consistent with our expectations;
- the level of demand for our services;
- the ability to reduce costs;
- the timely development and acceptance of new products and services;
- the effect of technological changes in communications and information technology; and
- the managing the foregoing and related risks.

In light of these risks, uncertainties and assumptions, the forward-looking events in this document might not occur. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of their respective dates.

