



Share Price:		8,65
Closing Price as 20/11/13		
Price High 52week		9,32
Price Low 52week		3,65
Market capitalisation		4.239.800.865
Current num. of shares		490.150.389
Long Term Debt		2.566.100.000

Key Financials	12/11	12/12	12/13E
Sales	5.038.300.000	4.680.300.000	3.980.000.000
EBITDA	1.652.400.000	1.520.200.000	1.393.000.000
EBITDA margin	33%	32%	35%
Total Debt/Equity	2,99	1,62	1,61
P/E	15,33	5,12	13,55
EPS	0,19	1,00	0,63
Dividend/Share	N/A	N/A	N/A

Enterprise Value	8.139.082.089
Shareholders value	5.572.982.089

**HELLENIC TELECOMMUNICATIONS ORGANIZATION-
OTE S.A**

SECTOR: Telecommunications

Activity: Diversified telecommunications services

Outlook:

Strengths:

Ongoing liquidity ratio improvement (Total Debt/Equity) to 1,61 from 1,62 and 2,99 in 2011 and 2012 respectively we expect the trend to continue.

Expected cash flow maintenance above 700 million euros in the following years

Operational cost reduction due to the restructuring actions in line with company's expectations.

Weaknesses:

We expect lower sales in the Fixed Line sector, compatible with the historical annual trend and a stabilization in Mobile sales in the following years.

Opportunities:

Additional income generated from Internet Services (ADSL, VDSL, ethernet) set to offset the losses in the two primary sectors of the company.

Threats:

The ongoing pricing war in the domestic market hurts profit margins in certain segments and requires increased operational flexibility.

Date 21/11/2013

FAIR ESTIMATED PRICE	11
Δ% from Current Price	31%
Investment Thesis	UV

OTE S.A Summary tables

Income Statement	2011	2012	2013	2014	2015
Fixed lines Greece	1.159.800.000,00	1.004.900.000,00	850.000.000,00	765.000.000,00	772.650.000,00
Fixed lines International	162.500.000,00	141.900.000,00			
Mobile sales	2.076.900.000,00	1.939.000.000,00	1.600.000.000,00	1.472.000.000,00	1.472.000.000,00
Rest Income	0,00	0,00	1.530.000.000,00	1.554.000.000,00	1.555.980.000,00
Total Sales	5.038.300.000,00	4.680.300.000,00	3.980.000.000,00	3.791.000.000,00	3.800.630.000,00
Total costs	3.385.900.000,00	3.160.100.000,00	2.587.000.000,00	2.464.150.000,00	2.470.409.500,00
EBITDA	1.652.400.000,00	1.520.200.000,00	1.393.000.000,00	1.326.850.000,00	1.330.220.500,00
Depreciation	1.363.000.000,00	0,32	765.000.000,00	772.650.000,00	772.650.000,00
EBIT	1.310.200.000,00	918.700.000,00	486.850.000,00	530.220.500,00	540.013.500,00
Interest	237.500.000,00	5.900.000,00	250.000.000,00	200.000.000,00	200.000.000,00
EBT	115.100.000,00	595.600.000,00	286.850.000,00	330.220.500,00	340.013.500,00
Taxation	23.020.000,00	107.700.000,00	100.397.500,00	115.577.175,00	119.004.725,00
Net Income	23.020.000,00	107.700.000,00	186.452.500,00	214.643.325,00	221.008.775,00

Σημειώσεις/Notes

P:	Τρέχουσα Τιμή	Market Price
MCAP:	Κεφαλαιοποίηση	Capitalization
EPS:	Καθαρά Κέρδη Ανά Μετοχή	Earnings per Share
P/E:	Λόγος Τιμής προς Κέρδη	Price/Earnings Ratio
P/S:	Λόγος Τιμής προς Πωλήσεις	Price/Sales Ratio
D/A:	Συνολικός Δανεισμός προς Παθητικό	Total Debt/Assets Ratio
DY:	Απόδοση Μερίσματος	Dividend Yield
ROE:	Απόδοση Ιστίων Κοιτώντων	Return on Equity
FV:	Τιμή Σωστής Αποτίμησης	Fair Value Price

Οδηγός Συστάσεων/Ratings

UV	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Small Risk Stock Price < 20% of Fair Underpriced/ Risk
UVI	Χαμηλή Αποτίμηση/ Κίνδυνος	Underpriced/ Risk Stock Price < 10% of Fair
FV	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος	Fairly Priced/ Small Risk 10% < Stock Price < 10%
OVI	Σωστή Αποτίμηση/ Κίνδυνος	Fairly Priced/ Risk Stock Price > 10% of Fair
OV	Υπερτιμημένη Μετοχή	Overvalued Stock Price > 20% of Fair

Cash flow estimations (€)

	2013E	2014E	2015E
EBIT	513.000.000,00	486.850.000,00	530.220.500,00
Taxation	26%	26%	26%
NOPAT	379.620.000,00	360.269.000,00	392.363.170,00
Depreciation	880.000.000,00	840.000.000,00	800.000.000,00
Capital Exp.	400.000.000,00	400.000.000,00	400.000.000,00
IWC	-28.967.818,30	-7.817.960,39	398.343,70
NCF	888.587.818,30	808.086.960,39	791.964.826,30

Growth/Margins/Metrics(€)

	12/11	12/12	12/13E
Sales Growth	-8%	-7%	-15%
EBITDA growth Y-Y	-3%	-8%	-8%
Net Profit/Loss growth	92,62%	429,87%	-36,75%
RATIOS	12/11	12/12	12/13E
Debt/Equity	2,99	1,62	1,61
Capex/EBITDA	24%	26%	29%
ROE	0,07	0,30	0,15
WACC	9,69%	9,69%	9,69%
VALUATION	12/11	12/12	12/13E
Book Value	2,82	3,31	4,30
P/BV	1,02	1,54	1,98
P/E	15,33	5,12	13,55

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