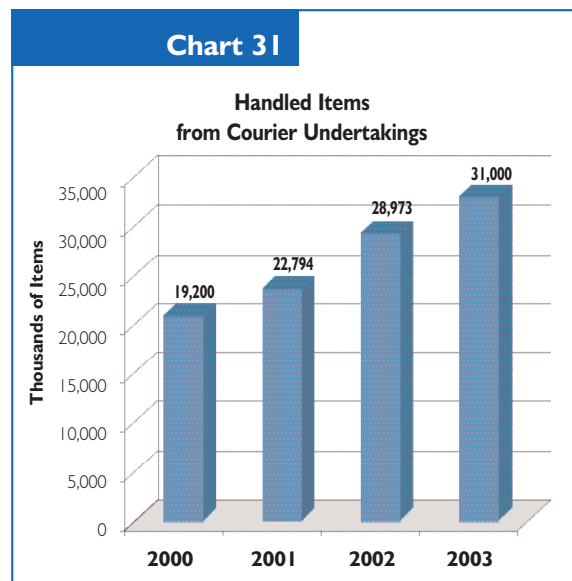


Source: Data from the Institute of Computer Science of the Foundation for Research and Technology Hellas (FORTH-ICS)⁴



Source: EETT

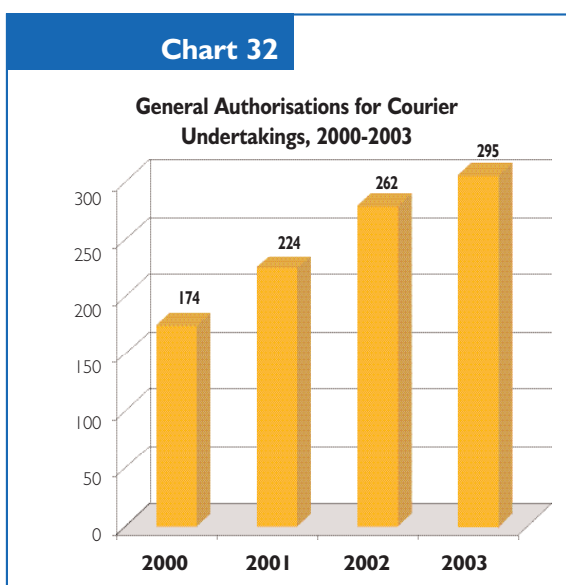
I.2. Postal Services

I.2.1. Courier Services Market

During the last years, the Courier Services market in Greece is growing at a fast rate. This is also evident from the total increase of the relevant market figures (number of active undertakings, volume of handled postal items, number of employees).

More specifically, the number of undertakings active in the Courier Service market during 2000-2003, was increased by 69.3%. It should be noted that in 2003, EETT granted licences to 54 undertakings. The turnover of undertakings in 2003 amounted to 203 million euros. Furthermore, the number of postal items handled by the undertakings is estimated to have amounted to 31 million, instead of 19.2 million in 2000, presenting for the period 2000-2003 an average annual increase rate of 17.3% (Chart 31).

In Chart 32, we present the increase in the number of licensed undertakings (General Authorisations) since the beginning of 2000 until the end of 2003. It is noted that a General Authorisation is required for the provision of services that are not part of the US, to which mostly belong Courier Services, as they are defined in article 1 of Law 2668/1998.



Source: EETT

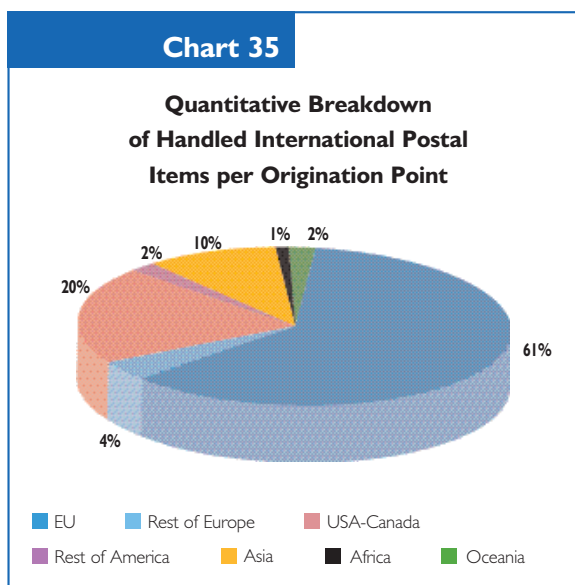
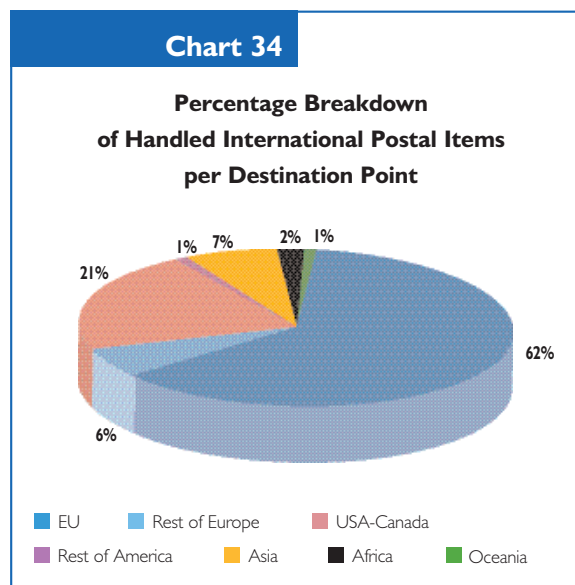
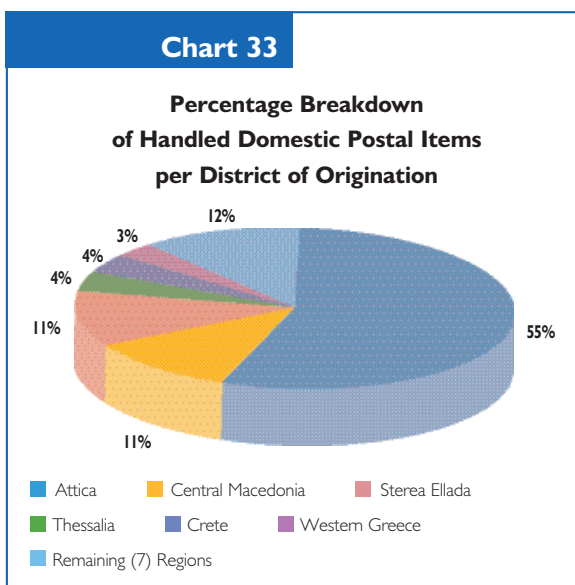
⁴ The department of Domain Names Management (GR-Hostmaster) of the Institute of Computer Science of the Foundation for Research and Technology Hellas (FORTH-ICS) is responsible for the management of domain name assignment for the Top Level Domain [.gr] for EETT.



In 2003, the Courier Services market continued to be highly concentrated. Specifically, it is estimated that only 10 undertakings handled approximately 88% of the total volume of postal items, a percentage that corresponds to 89% of the total turnover of undertakings. The same number of undertakings handled in 2002, 86% of the total volume of items.

89% of postal items handled in the country, were domestic items and corresponded approximately to 68% of the total turnover, whereas 11% were international items (incoming and outgoing) and corresponded approximately to 32% of the total turnover. 55% of handled postal items originated from the district of Attica and of these, 96.3% was delivered inside the country and the rest 3.7% was delivered to countries abroad. Some of the most important districts for the market are Central Macedonia and Sterea Ellada, from which originates 22% (11% respectively for every district) of total handled postal items (Chart 33).

In Charts 34 and 35 we present the distribution of handled postal items to and from Greece. The most common destination/origination points were mostly EU, USA - Canada, Asia and the rest of Europe.





Focusing on the distribution of items based on weight categories, it is ascertained that the most important category of postal items is that weighing up to half a kilo, considering it comprises of 60% of handled items in total, whereas the respective percentages for the weight category from 0.5 - 2 kilos are 21% and 19% for parcels.

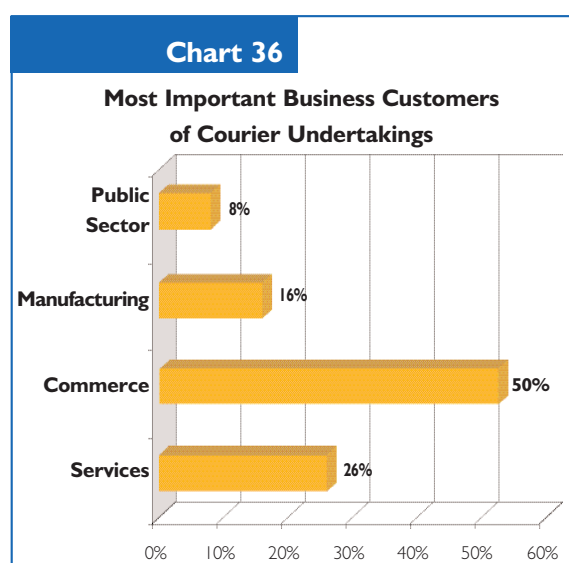
Furthermore, with regard to delivery times, in 2003, 88% of total items was delivered the next day and 3% on the same day, whereas these numbers were 83% and 8% respectively in 2002 (Table 4). It is noted that the delivery of part of the total items accomplished on the same day up to 2002, was completed on the next day.

Employment in the Courier Service market, has presented an increasing trend after 2000. More specifically, it is estimated that in 2003, the undertakings along with their Network, employed approximately 7,300 employees, instead of approximately 6,000 in 2002 (Table 5). Furthermore, during 2003, the undertakings employed relatively more part-time employees in relation to previous years (18% on the total of employees in 2003, instead of 8 - 9% during the period 2000 - 2002). This fact is due exclusively to the policy of a specific undertaking, which employed 850 individuals on a part-time basis in its effort to develop its Network.

The vast majority of employees were graduates of either compulsory or secondary education.

	2000	2001	2002	2003
Same day	8%	7%	8%	3%
Next day	81%	86%	83%	88%
More days	11%	7%	9%	9%

The most valuable customers of Courier undertakings, as appearing in Chart 36, originate from the sectors of commerce (50%), provision of services (26%) and manufacturing (16%). Indicatively, as most important are mentioned the credit institutions, publishing houses, IT and telecommunications providers, shipping and insurance undertakings.



Source: EETT

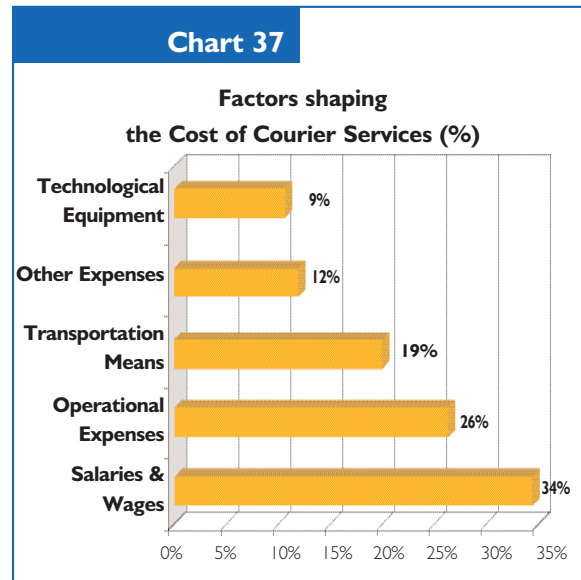
	Total Number of Employees				Percentage Change		
	2000	2001	2002	2003	2001/00	2002/01	2003/02
Full employment	3,877	4,805	5,528	5,917	24%	15%	7%
Part-time employment	373	490	490	1,377	31%	0%	181%
TOTAL	4,250	5,295	6,018	7,294	25%	14%	21%



The most important factors that determine the demand for Courier Services, are considered to be customer service and the reliability of the undertaking, as well as the price of provided services. As the most important factors that determine the provision of the specific services, are considered to a great extent the general economic conditions and the existing legal and regulatory framework.

The cost of Courier Services consists of staff wages (34%), operating expenses (26%), transportation means (19%) and other expenses (12%), which mostly concern the subcontracting expenses paid by Courier undertakings to other collaborating undertakings of the sector, so that a complete service can be provided (Chart 37).

The competition between undertakings is mostly driven by offered prices and quality of provided services, having as a result the significant increase of the negotiating capability of consumers in the choice of products. Finally, it is noted that the undertakings express lower interest in placing resources for advertising expenses, as well as for differentiating their products.



Source: EETT

1.2.2. Universal Service Mail Traffic

During the period 1999 - 2003, the volume of handled postal items concerning the US, presented a steady increase (533.5 million in 1999 instead of 615.1 million in 2003), retaining an average annual variation rate of 3.6%. Furthermore, the average annual variation rate of the turnover amounted to 13.4%.

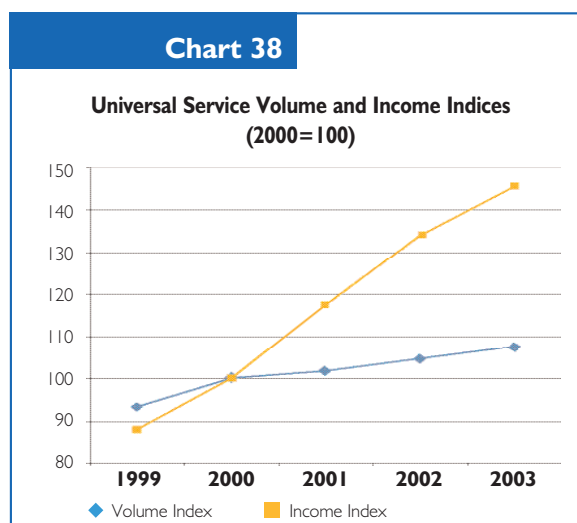
The most important US category in terms of volume is the Domestic mail, which in 2003 constituted 84.3% of the total US volume, instead of 78.4% in 1999. Respectively the International mail, in 2003, corresponded to 15.3% of the total volume instead of 21% in 1999. The category of Domestic and International parcels corresponded to a small percentage of the US volume.

Table 6					
Postal Universal Service Traffic 1999 - 2003					
	1999	2000	2001	2002	2003*
Total of postal items	533,524,593	571,786,808	582,212,123	598,441,707	615,131,000
Annual Percentage Change	-	7.2%	1.8%	2.8%	2.8%
Change since 2000	93.3	100	101.8	104.6	107.6

*Estimate (actual data for the first nine months, forecast for the last trimester)

Table 7					
Universal Service Revenue 1999 - 2003 (euros)					
	1999	2000	2001	2002	2003*
Total revenue	224,974,591	255,842,692	300,042,840	342,546,634	372,186,105
Annual Percentage Change	-	13.7%	17.3%	14.2%	8.7%
Change since 2000	87.9	100	117.3	133.9	145.5

*Estimate (actual data for the first nine months, forecast for the last trimester)



Source: EETT



1.2.3. Universal Service Tariffs

In this Section we present the evolution of tariffs for the provision of US by ELTA for the most important services and specifically for the First and Second Priority Domestic

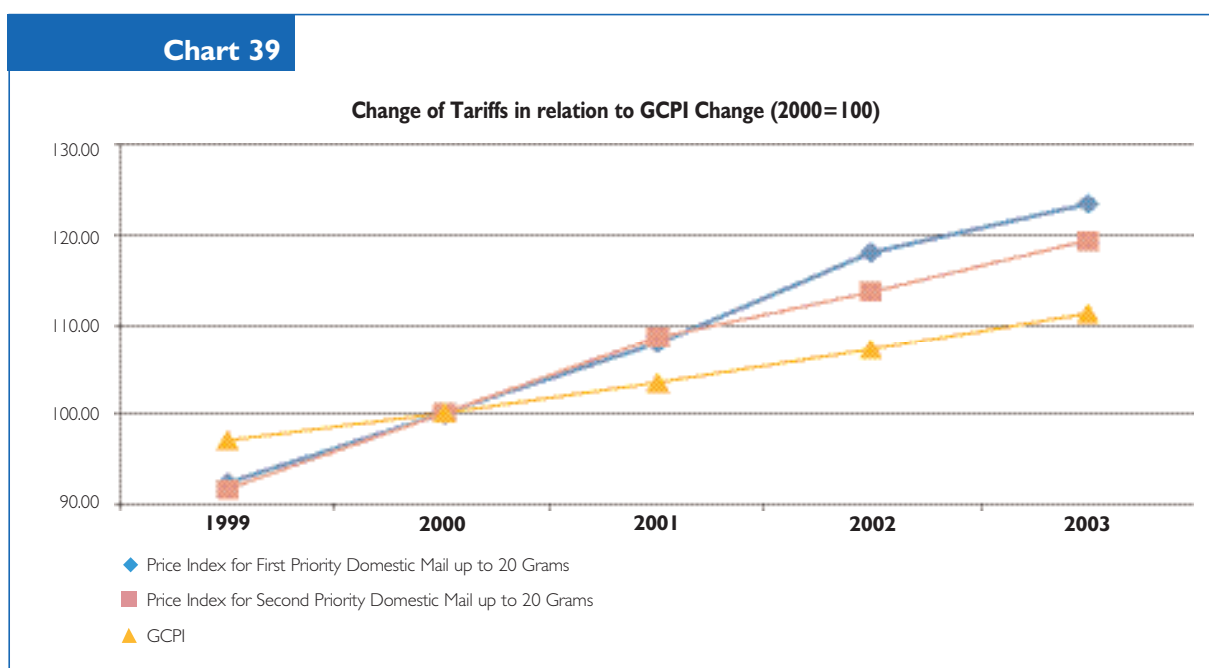
mail, weighing up to 20 grams, in relation to the evolution of the General Consumer Price Index-GCPI⁵ (see Tables 8 and 9 as well as Chart 39).

Table 8				
Annual Percentage Changes of Tariffs in relation to GCPI (1999 - 2003)				
	2000/1999	2001/00	2002/01	2003/02
First Priority Domestic Mail, up to 20 grams	8.3%	7.7%	9.5%	4.4%
Second Priority Domestic Mail, up to 20 grams	9.1%	8.3%	4.8%	5.0%
GCPI	3.1%	3.4%	3.6%	3.7%

Source: EETT

Table 9					
Change of Tariffs in relation to GCPI Change (2000 = 100)					
	1999	2000	2001	2002	2003
First Priority Domestic Mail, up to 20 grams	92.31	100.00	107.69	117.95	123.19
Second Priority Domestic Mail, up to 20 grams	91.67	100.00	108.33	113.58	119.26
GCPI	96.99	100.00	103.40	107.12	111.09

Source: EETT



Source: EETT

⁵ As it is calculated by the National Statistical Service of Greece.