



PUBLIC POWER CORPORATION S.A.

ANNOUNCEMENT

Further to a proposal by the Capital Markets Commission concerning the exception mentioned in the review of the interim financial statements of the Company by its certified auditors, please note, as mentioned in further detail in Note 3.2 of the Company's Financial Statements for the period 01.01.2008- 31.06.2008, that :

Until 2007, PPC recognised its liability for covering the deficit of CO₂ emission allowances when the actual emissions exceeded those allocated by the State.

Since 2008, PPC recognises a liability independently of whether actual emissions exceed the allocated ones, on the basis of the estimation of the expected deficit on an annual level. Such change is not in compliance with the provisions of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", according to which the relevant liability may be recognised at the time the deficit occurs, namely when the actual CO₂ emissions exceed the allocated ones.

PPC proceeded to this change, for the sake of the fair presentation of its financial results, since by following the previous method the Company has to recognise the expected annual deficit within the fourth quarter of the respective year and, while that would be in compliance with the provisions of IAS 37, it would be misleading with reference to the relevant impact on the financial results of the interim periods.

The above change did not have any effect on the financial data of the period 1/1-30/6/2007.

Athens 25-9-2008