

PUBLIC POWER CORPORATION S.A.**UNAUDITED**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2002

(Expressed in thousands of Euro)

As adjusted for illustrative purposes only (*)

ASSETS	December 2002	December 2001
Non-Current Assets:		
Property, plant and equipment, net	8,987,619	5,984,758
Intangible assets, net	2,219	3,941
Investments in associates	29,240	2,298
Other non-current assets	13,448	21,825
Deferred income tax assets	136,658	96,283
Total non-current assets	9,169,184	6,109,105
Current Assets:		
Materials, spare parts and supplies, net	558,433	560,009
Trade receivables, net	560,543	537,938
Other receivables, net	79,265	114,339
PPC Personnel Insurance Organization	61,294	167,759
Other current assets	6,166	6,016
Derivative Assets	8,740	0
Marketable and other securities	12,567	27,328
Cash and cash equivalents	28,407	47,278
Total current assets	1,315,415	1,460,667
Total assets	10,484,599	7,569,772
LIABILITIES AND EQUITY		
EQUITY:		
Share capital	1,067,200	680,851
Share premium	106,679	106,679
Legal reserve	13,542	0
Revaluation Surplus	3,055,754	0
Reversal of fixed assets' statutory revaluation surplus	(947,342)	(531,777)
Reserves and Retained Earnings	72,497	40,690
Total equity	3,368,330	296,443
Non-Current Liabilities:		
Long-term debt, net of current portion	3,377,534	4,411,777
Provisions	429,530	184,872
Deferred subsidies & customers' contributions	1,195,147	1,102,597
Deferred income tax liability	26,771	105,177
Other non-current liabilities	344,434	332,690
Total non-current liabilities	5,373,416	6,137,113
Current Liabilities:		
Trade and other payables	581,533	501,044
Short-term borrowings	103,400	2,104
Current portion of long-term debt	749,595	426,406
Derivative liability	80,543	69,382
Income tax payable	119,079	29,835
Accrued and other current liabilities	108,703	107,445
Total current liabilities	1,742,853	1,136,216
Total liabilities and equity	10,484,599	7,569,772

(*) These statements for the years 2002 and 2001, were adjusted for the extra depreciation arising from the revaluation of fixed assets. The above figures are provided for illustrative purposes only.

PUBLIC POWER CORPORATION S.A.

UNAUDITED

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2002

(Expressed in thousands of Euro - except per share data)

As adjusted for illustrative purposes only (*)

	<u>2002</u>	<u>2001</u>
REVENUES:		
Revenue from energy sales	3,318,430	3,052,957
Other	102,276	38,430
	<u>3,420,706</u>	<u>3,091,387</u>
EXPENSES:		
Payroll cost	767,445	731,034
Lignite	428,812	432,589
Liquid fuel	456,392	435,090
Natural gas	272,650	314,163
Depreciation & amortization	466,047	444,716
Energy purchases	149,345	122,988
Materials and consumables	72,357	69,382
Transmission system usage	69,063	8,147
Utilities & maintenance	64,479	65,450
Third party fees	15,668	23,648
Taxes and duties	22,516	21,092
Provision for risks	32,533	10,271
Provision for slow-moving materials	13,947	10,227
Provision for doubtful accounts	27,122	8,875
Other expenses	57,393	48,053
	<u>504,937</u>	<u>345,662</u>
PROFIT FROM OPERATIONS	<u>504,937</u>	<u>345,662</u>
Financial income (expenses), net	(215,370)	(248,930)
Foreign currency gains/ (losses), net	43,434	7,686
Other income/ (expense), net	14,622	31,351
	<u>347,623</u>	<u>135,769</u>
PROFIT BEFORE TAX	<u>347,623</u>	<u>135,769</u>
Provision for income taxes	(128,621)	(49,827)
	<u>219,002</u>	<u>85,942</u>
PROFIT AFTER TAX	<u>219,002</u>	<u>85,942</u>
Earnings per share, basic and diluted	<u>0.94</u>	<u>0.39</u>
Weighted average number of shares	232,000,000	220,657,534
EBITDA	1,027,849	869,044

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PUBLIC POWER CORPORATION S.A.**UNAUDITED**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2002

(Expressed in thousands of Euro)

As adjusted for illustrative purposes only (*)

	<u>2002</u>	<u>2001</u>
Cash Flows from Operating Activities:		
Profit before tax	347,623	135,769
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortisation	613,258	609,551
Amortisation of subsidies and customers' participation	(90,346)	(86,169)
Fair value (gain) /loss of derivative instruments	2,421	6,665
Gain on sale of marketable securities and OAE bonds	0	(179)
Interest income	(16,025)	(7,947)
Sundry provisions	75,183	31,663
Unrealised foreign exchange differences on long-term debt	(24,896)	(14,084)
Unbilled revenue	(5,812)	(30,770)
Interest expense	204,212	252,710
Operating profit before working capital changes	1,105,618	897,209
(Increase)/ Decrease in:		
Accounts receivable, trade and other	7,887	(40,420)
Other current assets	378	43,621
PPC-Personnel Insurance Organisation	88,856	104,810
Materials, spare parts and supplies	3,781	5,910
Other long-term assets	5,564	341
Increase/ (Decrease) in:		
Accounts payable	75,633	(50,131)
Other long-term liabilities	9,493	(5,881)
Accrued liabilities excluding bank loan interest	3,737	18,354
Income taxes paid	0	(40,332)
Net Cash from Operating Activities	<u>1,300,947</u>	<u>933,481</u>
Cash Flows from Investing Activities:		
Interest received	16,025	10,277
Capital expenditure for fixed assets and software	(626,206)	(822,656)
Disposal of fixed assets and software	9,108	4,135
Proceeds from subsidies and customers' contributions	182,895	217,494
Proceeds from OAE bonds	2,101	65,001
Investments	(26,942)	(1,423)
Net Cash used in Investing Activities	<u>(443,019)</u>	<u>(527,172)</u>
Cash Flows from Financing Activities:		
Net change in short-term borrowings	101,297	(27,666)
Proceeds from long-term debt	181,332	474,574
Principal payments of long-term debt	(867,489)	(698,715)
Proceeds from issuance of new shares	0	141,896
Interest paid	(203,878)	(263,275)
Dividends paid	(88,061)	0
Other	0	203
Net Cash used in Financing Activities	<u>(876,799)</u>	<u>(372,983)</u>
Net (decrease)/ increase in cash and cash equivalents	(18,871)	33,326
Cash and cash equivalents at beginning of year	<u>47,278</u>	<u>13,952</u>
Cash and cash equivalents at end of year	<u><u>28,407</u></u>	<u><u>47,278</u></u>

(*) These statements for the years 2002 and 2001, were adjusted for the extra depreciation arising from the revaluation of fixed assets. The above figures are provided for illustrative purposes only.