

Public Power Corporation SA

**10th Annual Ordinary General Meeting
of Shareholders**



**Athens
July 12 2012**

**Arthouros Zervos
Chairman & Chief Executive Officer of PPC**



10th Ordinary General Meeting

- 1 Business Review**
- 2 2011 Financial Results**
- 3 1st Quarter 2012 Financial Results**
- 4 Targets and priorities today**

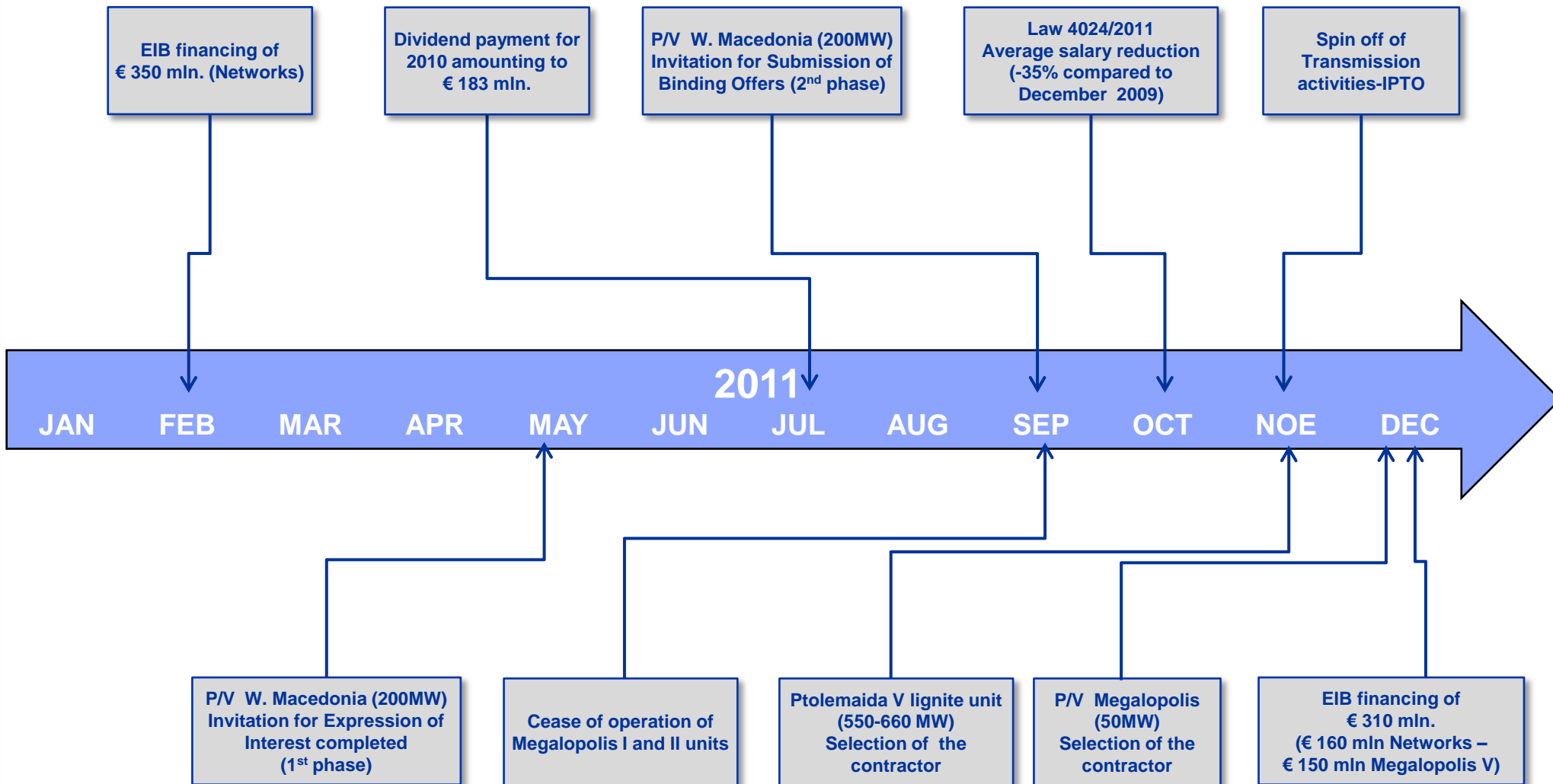


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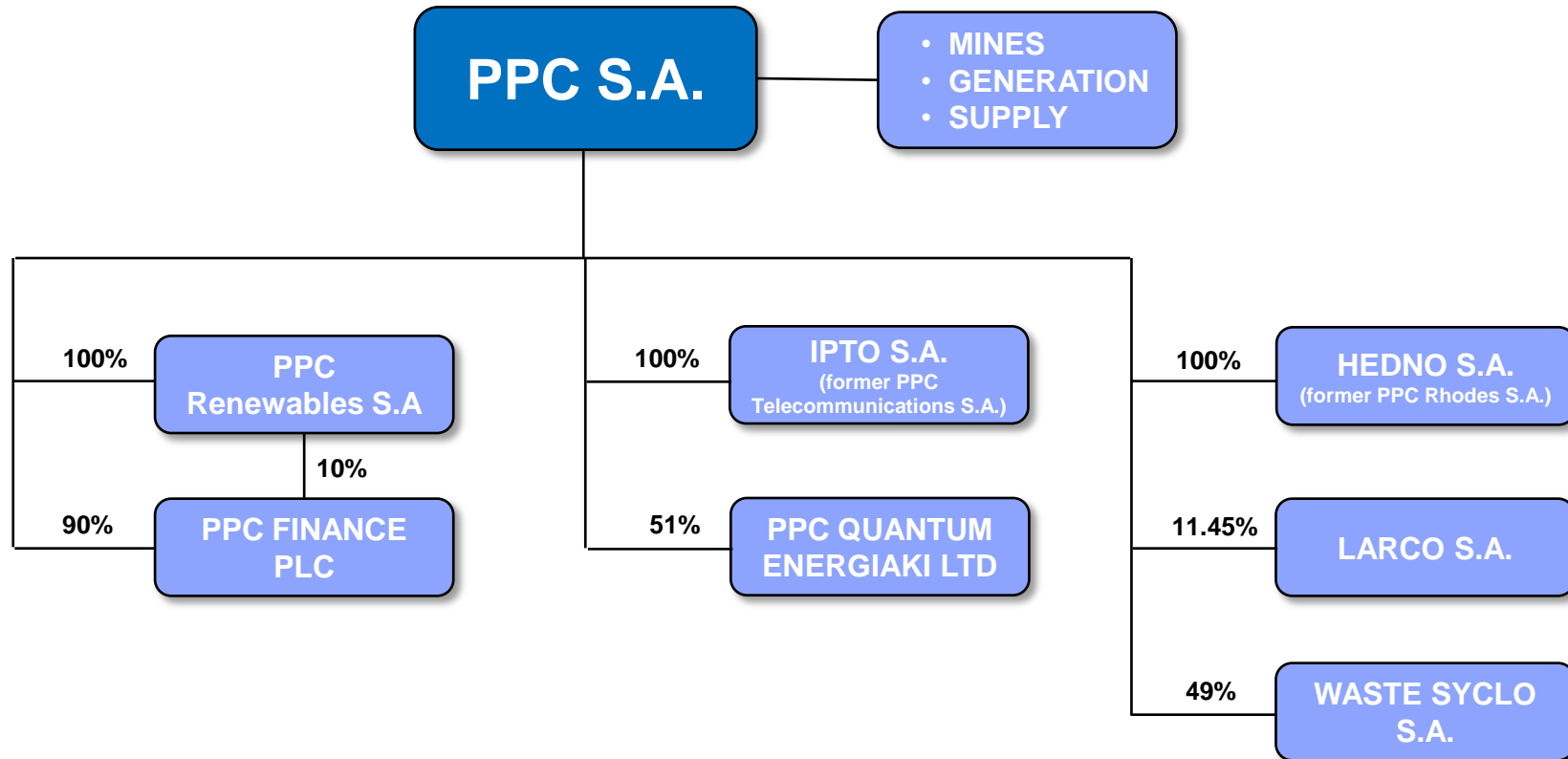


Summary Business Review



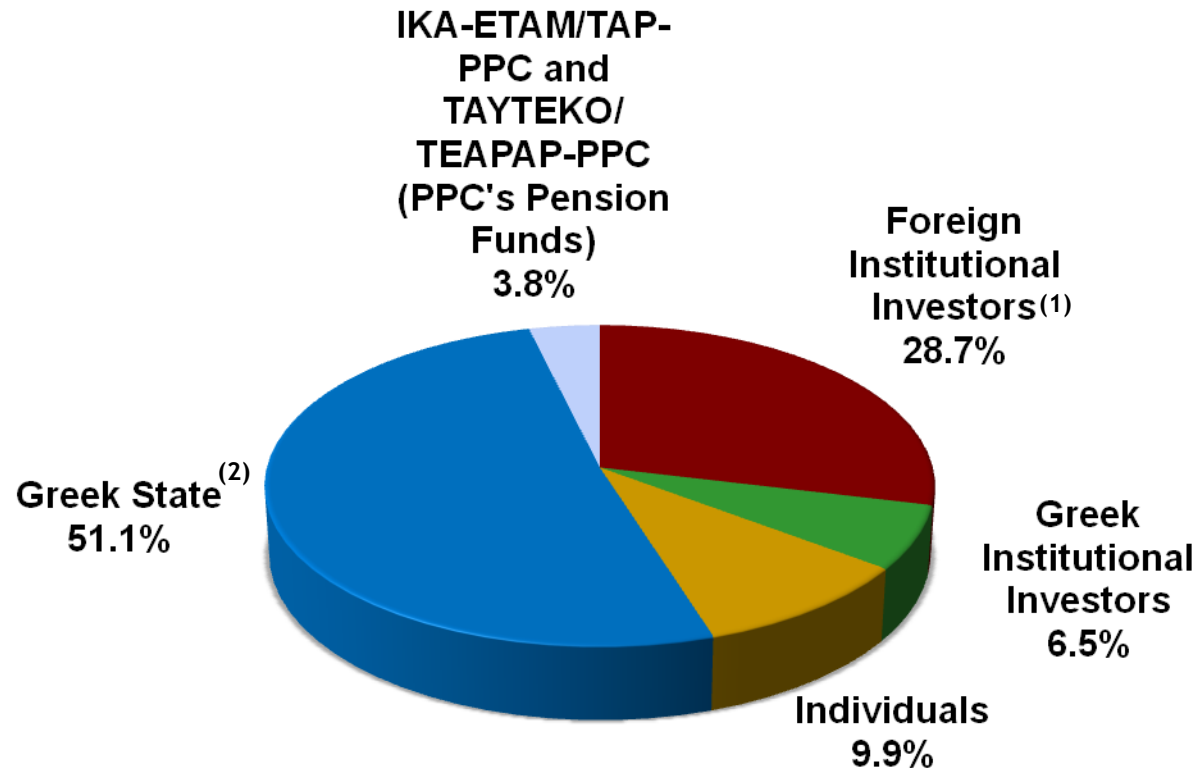


New organizational structure and participations of the Group





Shareholding Structure of the Parent Company (30/6/2012)

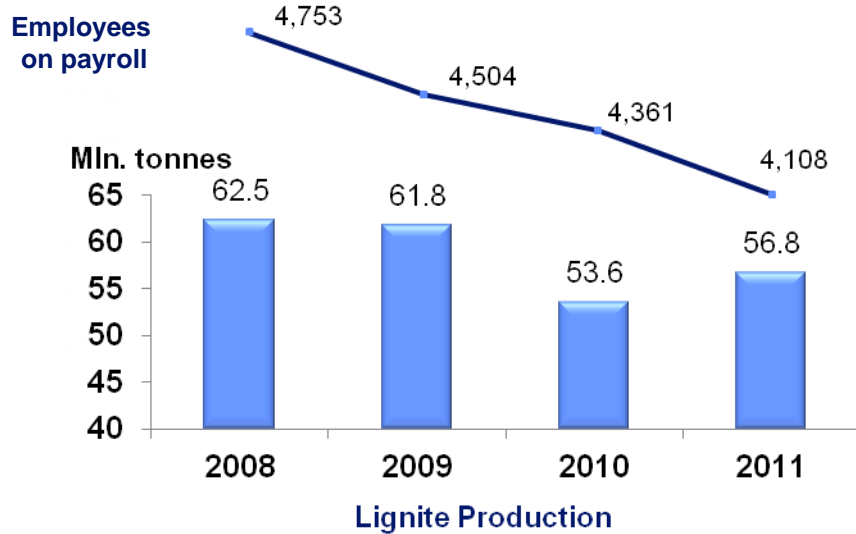


⁽¹⁾ Based on the most recent information received, “Silchester International Investors LLP” participates in PPC’s share capital with 13.80% or 32,024,558 shares (as of 8th December 2011).

⁽²⁾ With a decision taken by the Interministerial Privatizations Committee, on April 25, authorization to the Minister of Finance is provided to enter into contractual agreements with the Hellenic Republic Asset Development Fund S.A. (HRADF), based on which, the HRADF will exercise on behalf of the State, which is the owner, the voting rights of shares of PPC S.A., until completion of its privatization process, (as described in the Privatizations Programme of the Mid-Term Fiscal Strategy Plan 2012-2015), voting rights corresponding to 17% of its share capital.



Mines



- In 2011, lignite production reached 56.8 mln tonnes (+6%), while total extractions reached 348.7 mln m³ (+9.1%).

Production capacity

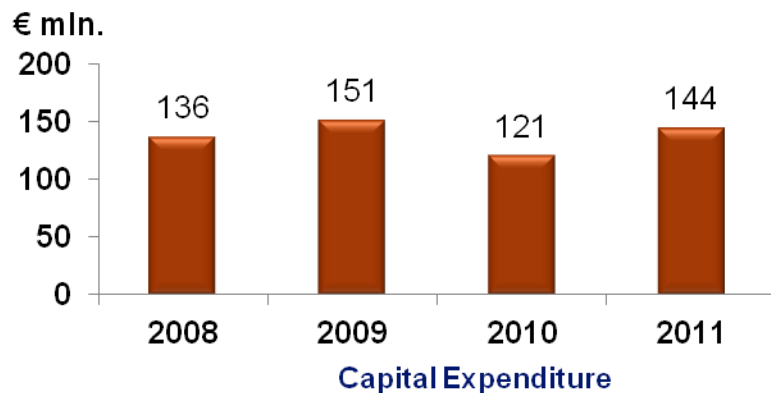
Western Macedonia Mines

- Main Field
- Kardia Field
- South Field
- Amyntaio

40-50 mln tonnes per year

Megalopolis Mine :

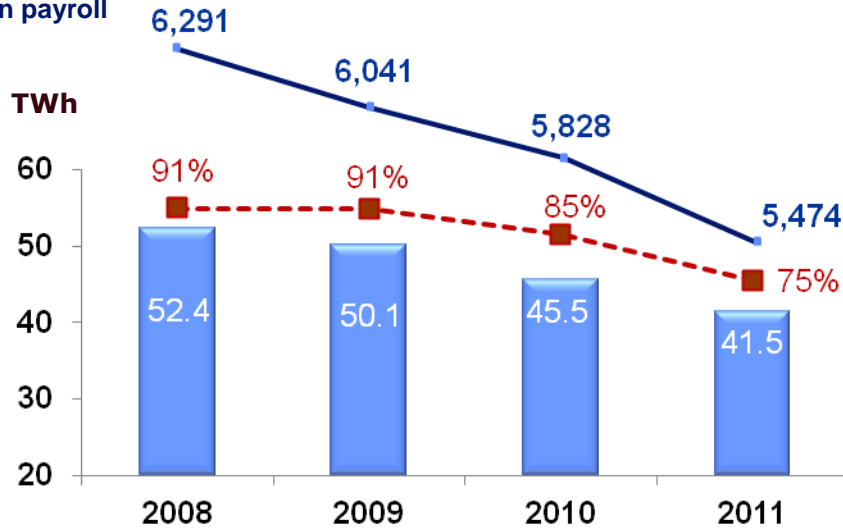
9-13 mln tonnes per year



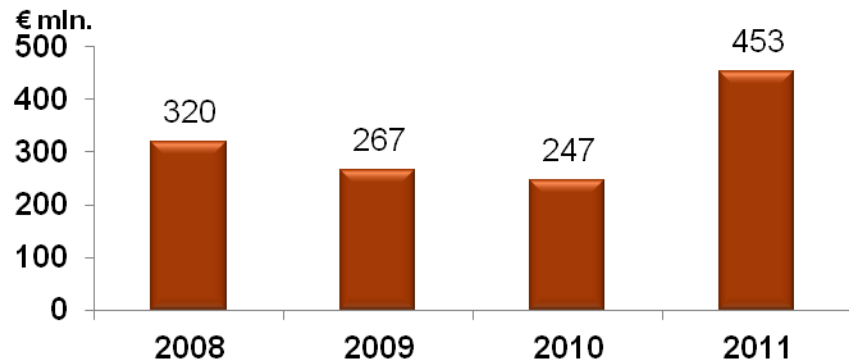


Generation

Employees on payroll



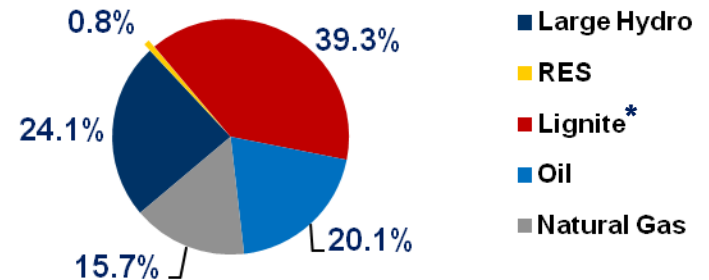
— Generation
 -■- Market share on Generation (without imports)



Capital Expenditure

Commissioning of units	Capacity (MW)	Commissioning Year	Budget (€ mln)
ALIVERI V	417	2012	260
MEGALOPOLIS V	811	2013	500
SOUTH RHODES	115	2013-14	183
LARGE HYDRO POWER PLANTS	~ 350	Until 2015	~ 750
PTOLEMAIDA V	~ 600	2018 (The contractor has been selected)	1,395

Decommissioning of units → ~ 1,850 MW, gradually until 2016

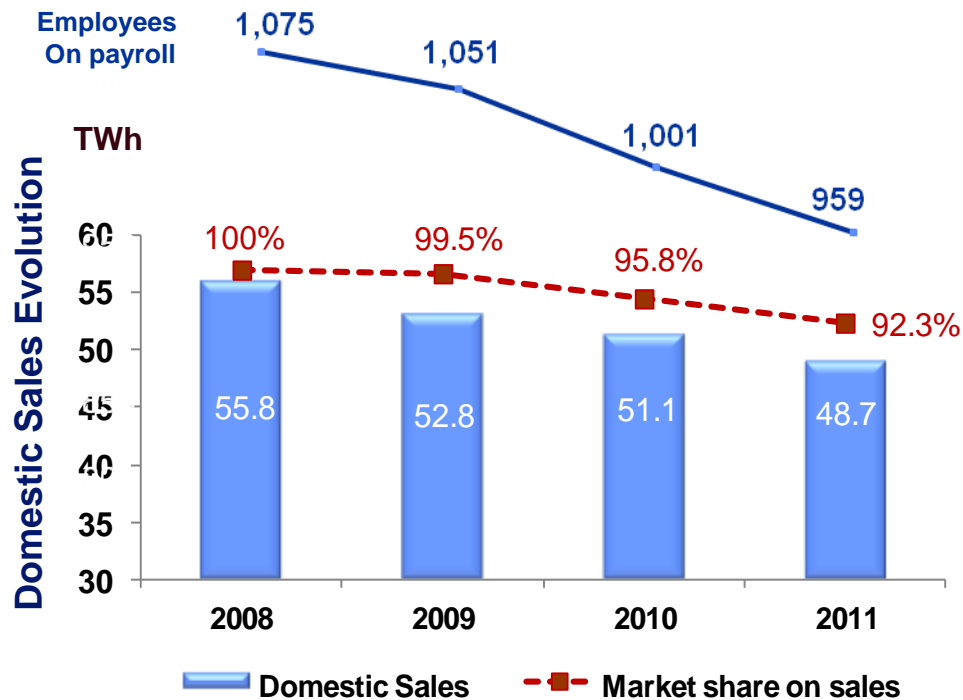


Installed capacity by fuel type

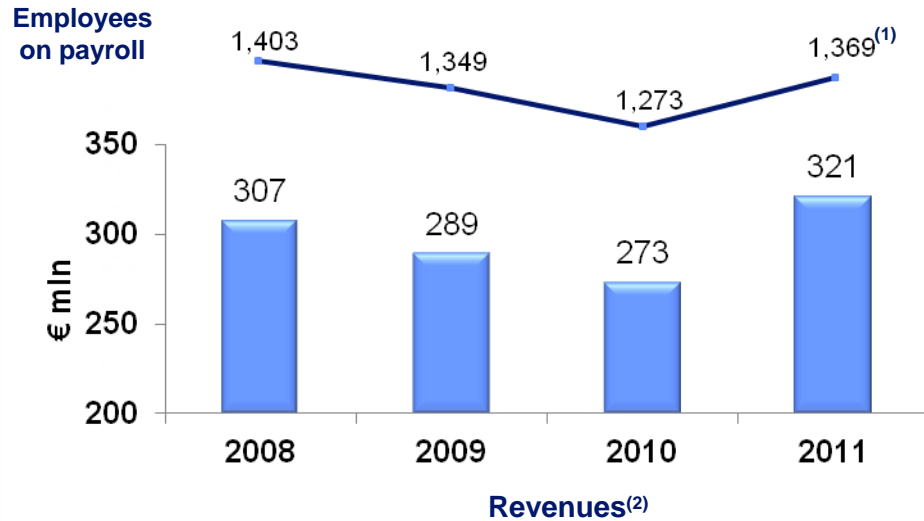
* (12,510 MW on 31.12.2011, after the cease of operation of Megalopolis I and II units)



Supply

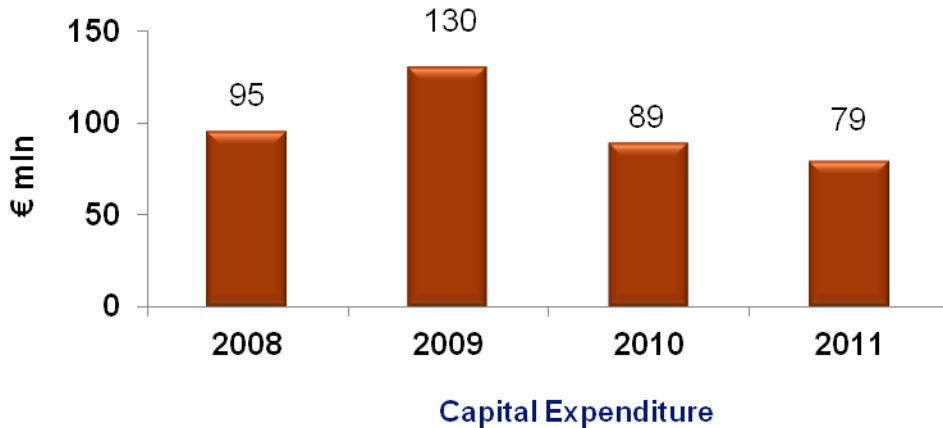


- Following the suspension of operation of the two alternative electricity suppliers (Energa & Hellas Power), PPC, as a Last Resort Supplier, undertook the responsibility, as of 25.1.2012, to supply electricity to app. 200,000 customers, with its market share amounting to 99.4% in March 2012.
- In addition, for the same reasons, PPC undertook the responsibility to supply with electricity the customers of two other alternative suppliers and specifically of “Elliniki Enallaktiki Energiaki” and “Revmaena” since 30.5.2012 and 31.5.2012 respectively.



⁽¹⁾ The increase of employees on payroll in 2011, by 96 employees, is attributed to the transfer of personnel from the Parent Company to IPTO.

⁽²⁾ Including Transmission Network rental and other revenues



- **High Voltage (HV) Transmission Lines : 12,178 km (including 949 km of Distribution Network HV lines)**
- **Fibre optics network : appr. 2,100 km**

- **Interconnections with:**

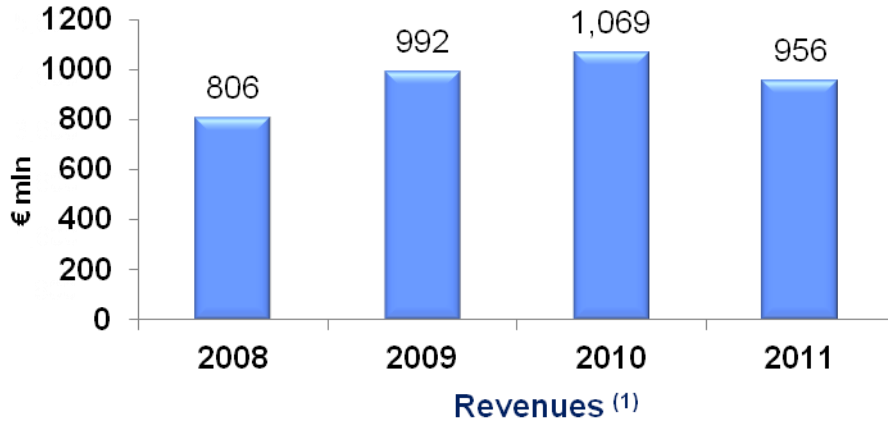
Italy
Albania
FYROM
Bulgaria
Turkey

- **June 2011: Launching of the Tender for the Cyclades Interconnection Project.**
On 19.1.2012 the technical offers were opened.



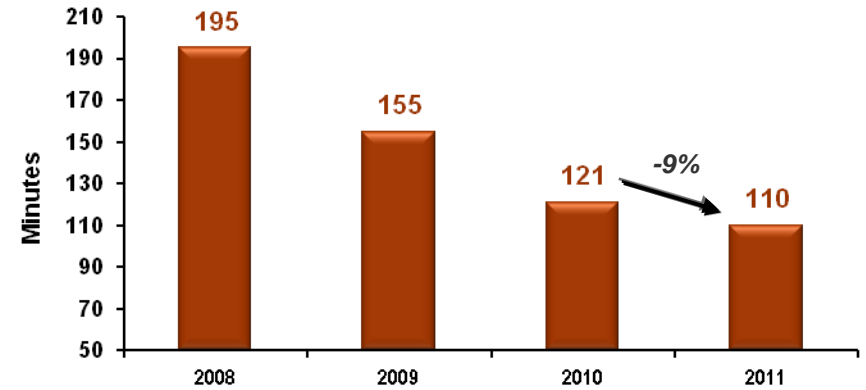
Distribution (HEDNO)

Employees on payroll

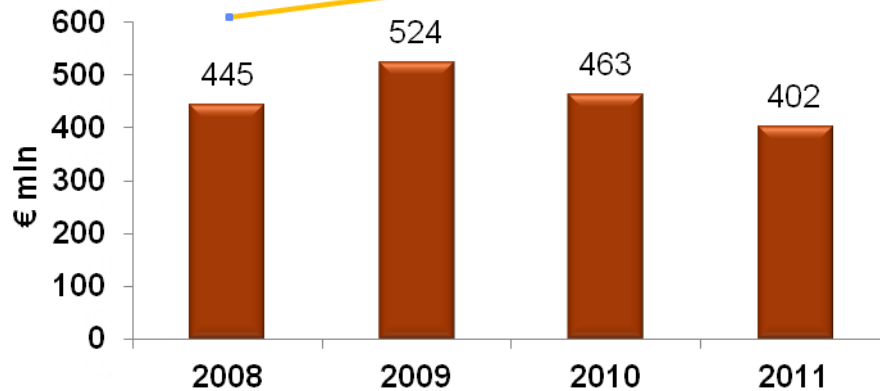
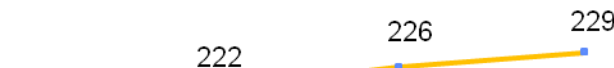


(1) Including Distribution Network rentals and other revenues

Average failure duration per customer

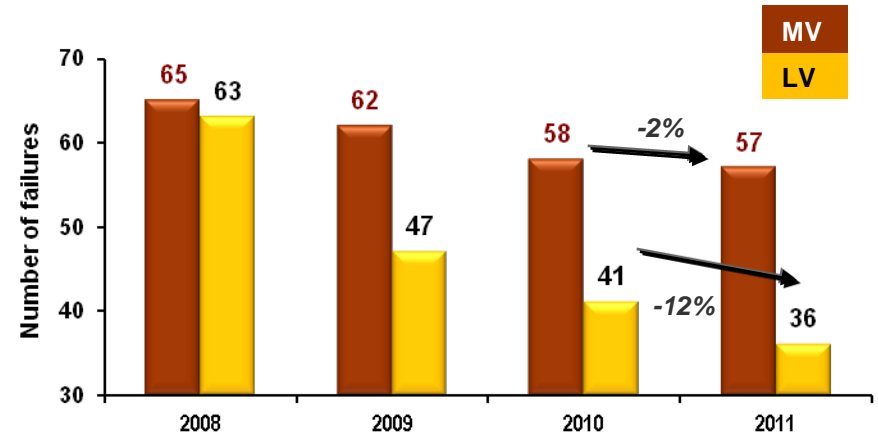


MV & LV Lines (10³ Km)



Capital Expenditure

Number of failures per 100km of network (due to failure)





Important developments

- Gradual entry into operation, in 2011, of 5 Wind Parks, out of 9 (in six Aegean islands and Crete), with a total installed capacity of 35MW.
- Completion of the construction of 6 P/V plants, with a capacity of 80kW each, in Atherinolakos, Crete.
- P/V plant in Megalopolis (50 MW): J&P Avax S.A. has been selected as the contractor.
- P/V plant in W. Macedonia (200 MW): A request for proposals was sent to the 15 groups (out of which 13 are still interested) which participate in the 2nd phase of the Tender. Binding bids, following a deadline extension are expected on the 30th of September 2012.
- In August 2011 PPCR submitted an application for a production license for a Wind Park in Rodopi of a total capacity of 210 MW.
- In September 2011, PPCR signed an MoU with Sinovel for the construction of a 150 MW Wind Park in Rodopi.
- In December 2011 PPCR submitted applications for production licenses for a 5MW Geothermal plant in Kimolos, a 25 MW Biomass plant in Kozani and a 144 MW Wind Park in Rhodes.

Strategic Partnerships

TERNA ENERGY	Extension of the Shareholders Agreement for the development of RES projects and Pump Storage Stations in the mainland system (2012)
EDF ENERGIES NOUVELLES	MoU for the joint development of RES projects e.g. 250 MW Wind Park in Florina and Hybrid project in Malia, Crete (2011)
EP GLOBAL ENERGY LTD (EPGE)	Shareholders Agreement for the acquisition & development of RES projects in the Balkans and the Middle East region (2010)
SINOVEL WIND GROUP	MoU for the joint development of an onshore and an offshore Wind Park. Construction of a wind generators plant in Greece (2011)
ELIKA S.A.	MoU for the joint development of RES projects on a national level. (2011)
ROKAS S.A.	MoU for the joint implementation of the project “Aegean Link” (706 MW in Limnos, Lesvos, Chios). (2007)
ANDROS WIND FARMS (PLATINA PARTNERS)	Shareholders Agreement for the development of a 119 MW Wind Park in Andros (2008)



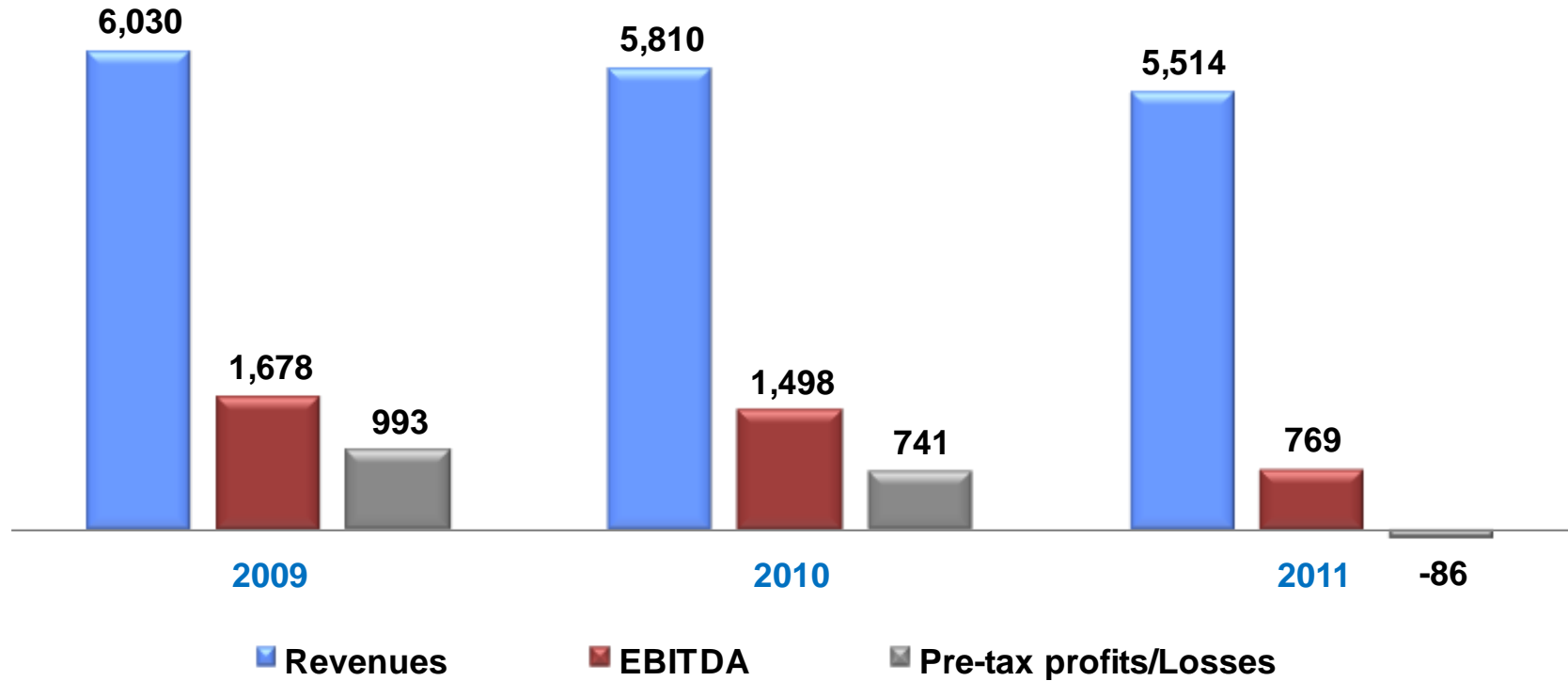
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Evolution of Key Figures of the Group

€ mln.



Δ% - Total Revenues

-3.6 %

-5.1 %

Δ% - EBITDA

-10.7 %

-48.6 %

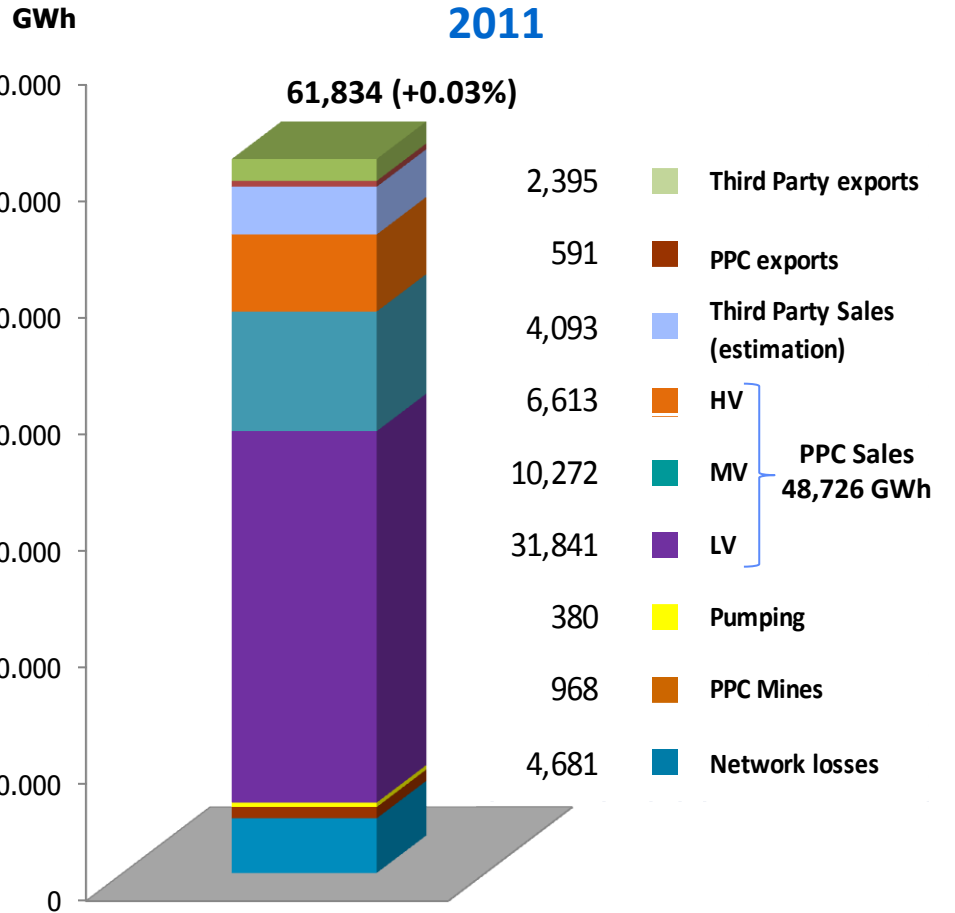
Δ% - Pre-tax profits/Losses

-25.4 %

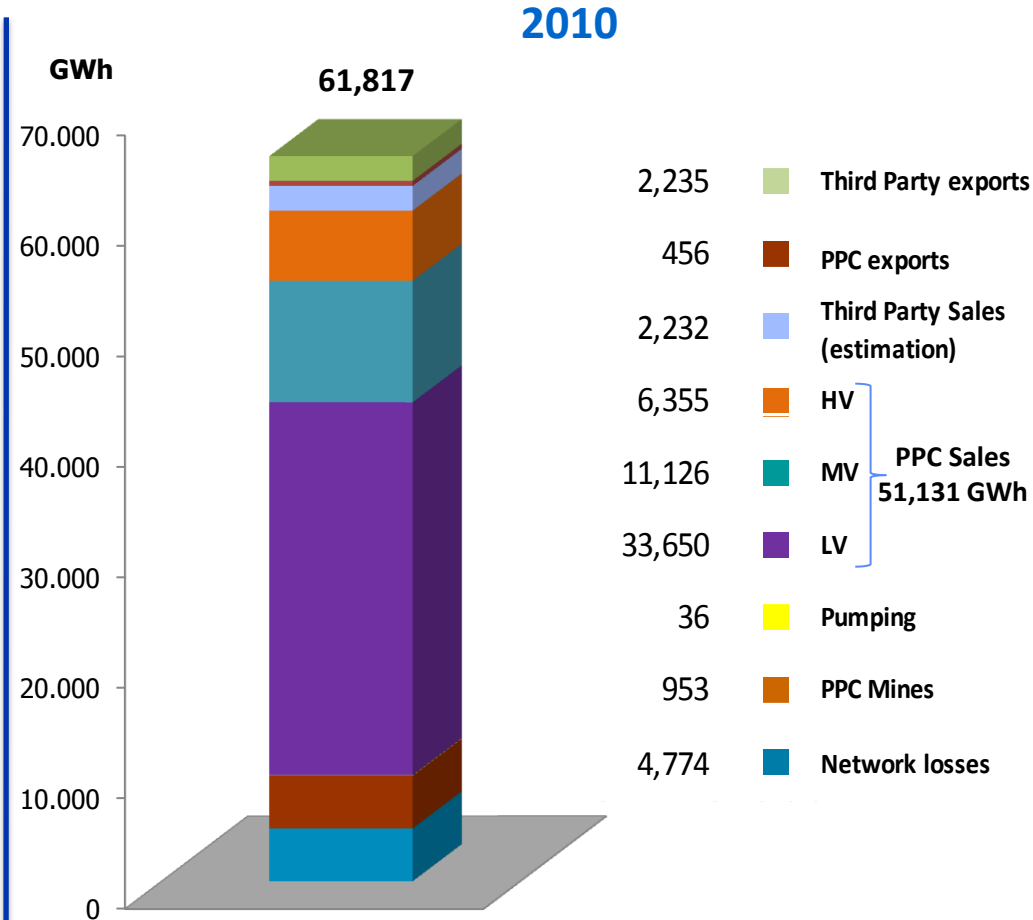
-111.6 %



Electricity Demand 2011 / 2010



PPC domestic sales: 48,726 GWh PPC exports: 591 GWh
 Market Share (estimation): 92.3% Market share on exports 19.8%



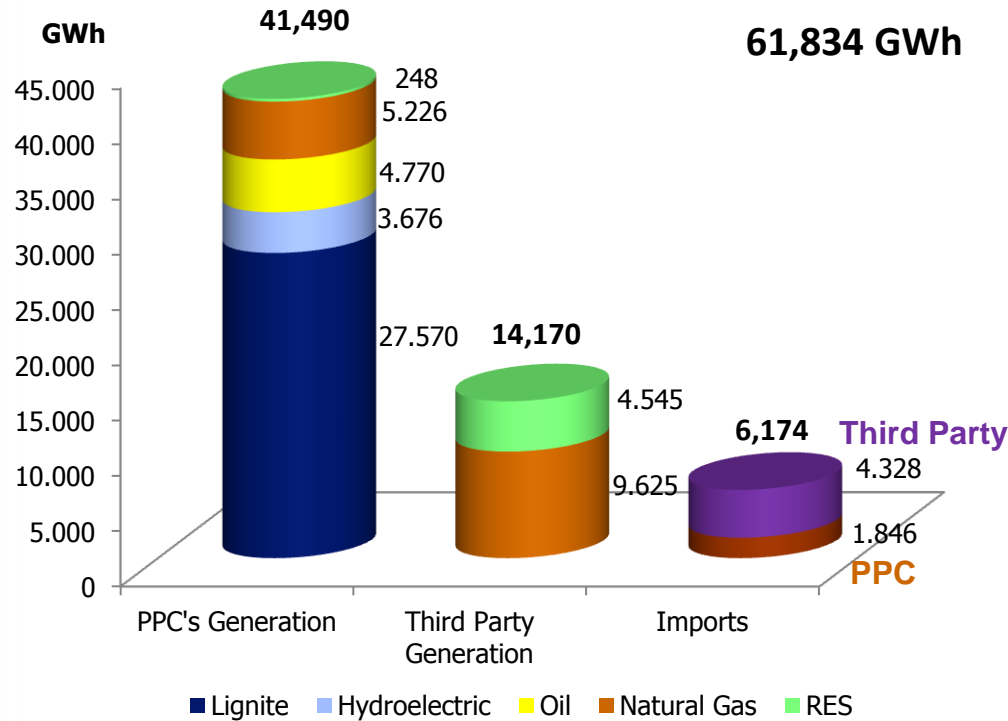
PPC domestic sales: 51,131 GWh PPC exports: 456 GWh
 Market share (estimation): 95.8% Market share on exports: 16.9%

Total electricity demand between the two periods remained practically at the same level. Excluding pumping and exports, demand declined by 1.1% (622 GWh). This fact combined with PPC's market share loss by 3.5 percentage points, resulted in a decline in PPC's domestic sales by 4.7% (2,405GWh).



Electricity Supply 2011 / 2010

2011



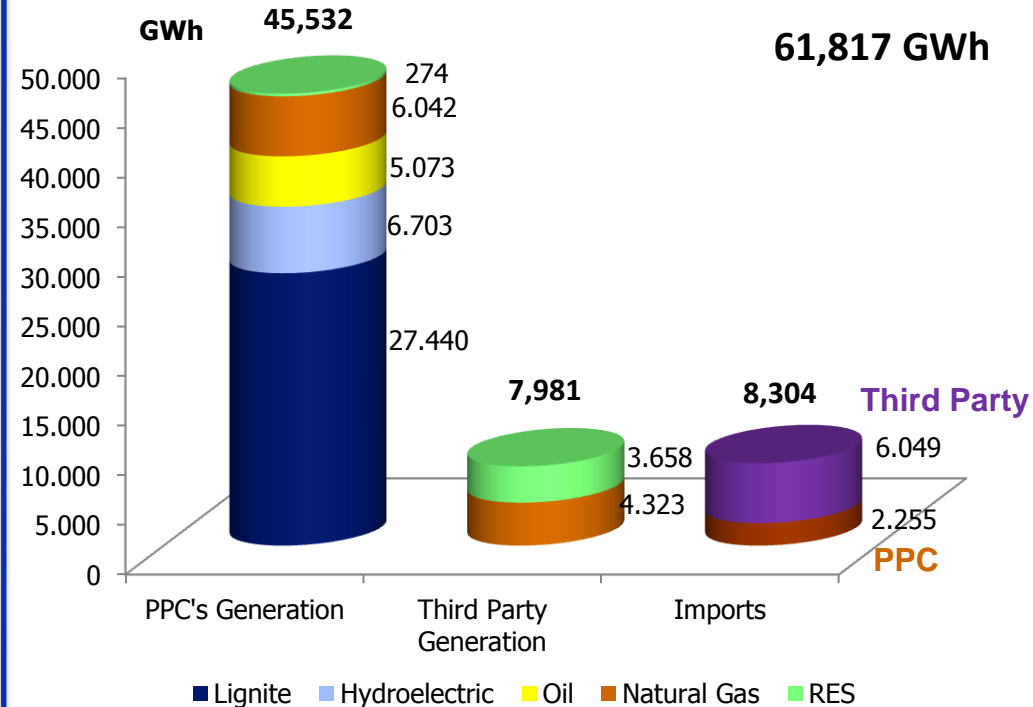
PPC generation: 41,490 GWh

PPC imports: 1,846 GWh

Market share: 74.5%

Market share on imports: 29.9%

2010



PPC generation: 45,532 GWh

PPC imports: 2,255 GWh

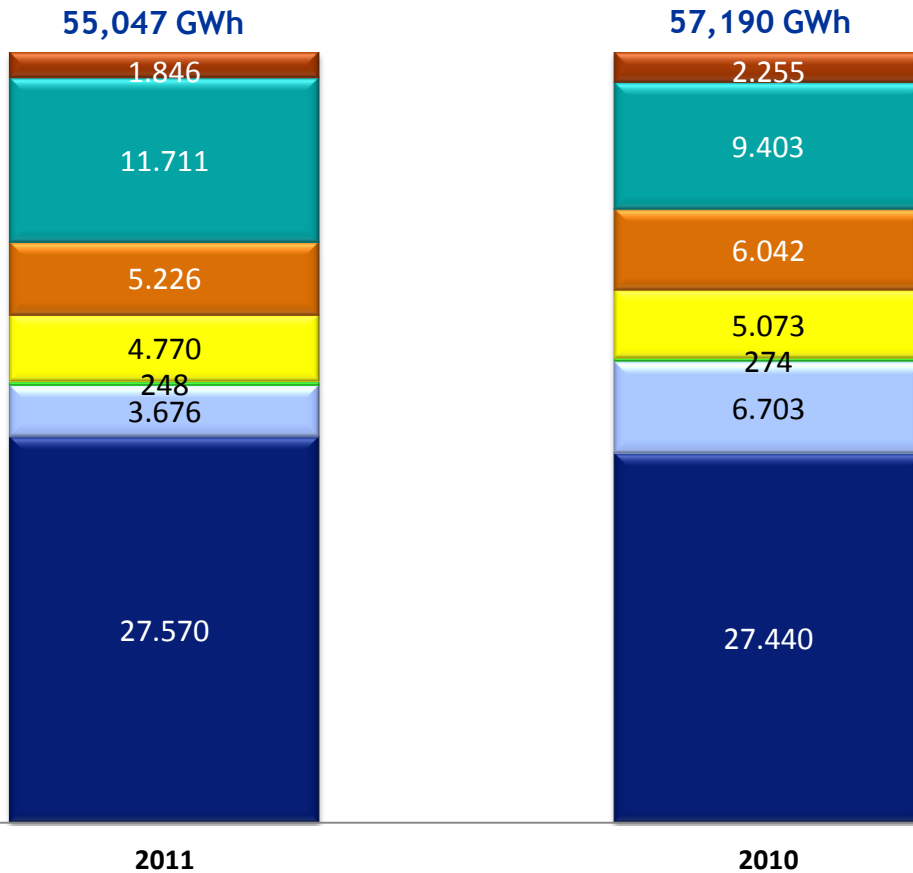
Market share: 85.1%

Market share on imports: 27.2%

In 2011, PPC's electricity generation and imports, covered 70.1% of total demand, while the corresponding percentage in 2010 was 77.3%.



Energy Generation and Purchases (GWh) 2011 / 2010



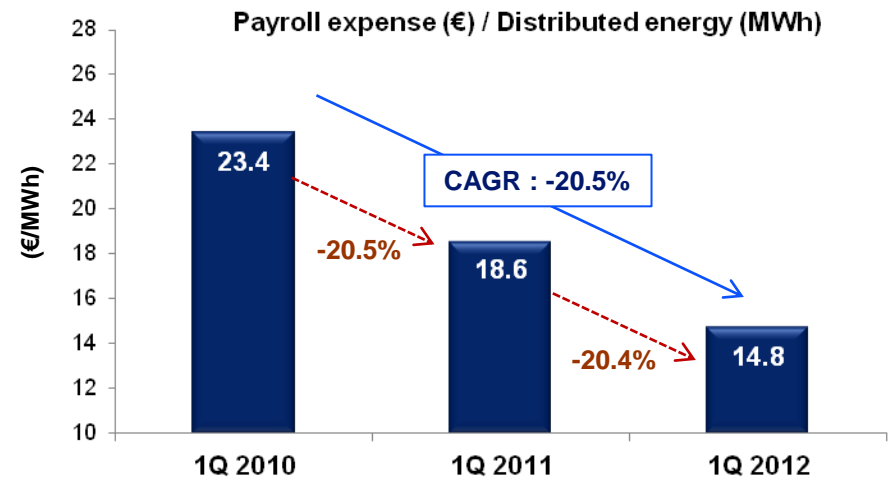
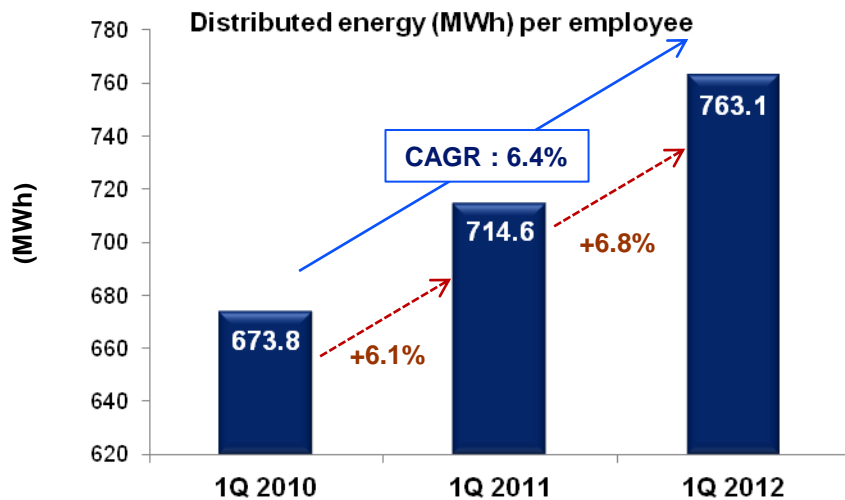
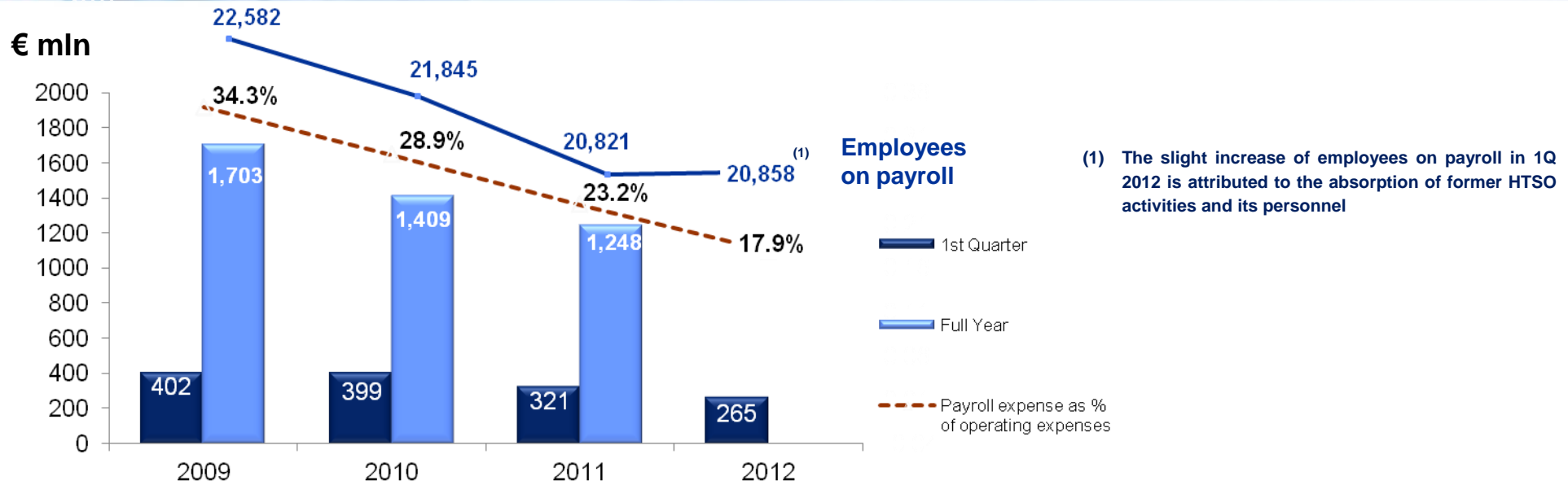
	TOTAL	Δ GWh	Δ %	% Participation	
				2011	2010
PURCHASES	Imports	-409	-18.1%	3.4%	3.9%
	Domestic Energy Purchases	2,308	24.5%	21.3%	16.4%
IMPORTED FUELS	Natural Gas	-816	-13.5%	9.5%	10.6%
	Oil	-303	-6.0%	8.7%	8.9%
DOMESTIC FUELS	RES	-26	-9.5%	0.5%	0.5%
	Hydroelectric	-3,027	-45.2%	6.7%	11.7%
	Lignite	130	0.5%	50.1%	48.0%
TOTALS	PURCHASES			24.6%	20.4%
	IMPORTED FUELS			18.2%	19.4%
	DOMESTIC FUELS			57.2%	60.2%

- Lignite
- Hydroelectric
- RES
- Oil
- Natural Gas
- Domestic Energy Purchases
- PPC's Imports

In 2011 electricity generation from lignite increased by 0.5% (130 GWh) compared to 2010. During the same period, the percentage participation of lignite in PPC's total energy mix stood at 50.1% vs 48% for 2010. Energy purchases from domestic market increased by 24.5% (2,308 GWh). Hydro generation decreased substantially by 45.2% between the two periods (-3,027 GWh).



Total payroll evolution – Productivity improvement

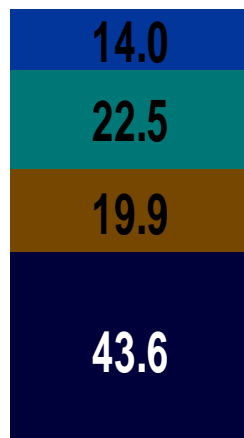




Fuel, CO₂, other expenses and EBITDA as percentage of revenues (2011 / 2010 / 2009)

Total Revenues

€ 5,513.6 mln.



2011

Total Revenues

€ 5,809.8 mln.



2010

Total Revenues

€ 6,030.4 mln.



2009

■ Fuel and Energy Purchases

■ Payroll

■ Other Expenses*

■ EBITDA margin

In 2011, 43.6% of the Company's total revenues were expensed for fuel, energy purchases and CO₂ emission rights compared to 32% in 2010 and 28.2% in 2009. On the other hand, despite the decrease in total revenues, the share of payroll expense was reduced to 19.9% compared to 21.4% in 2010 and 24.7% in 2009.

EBITDA margin reached 14.0% vs 25.8% in 2010 and 27.8% in 2009.

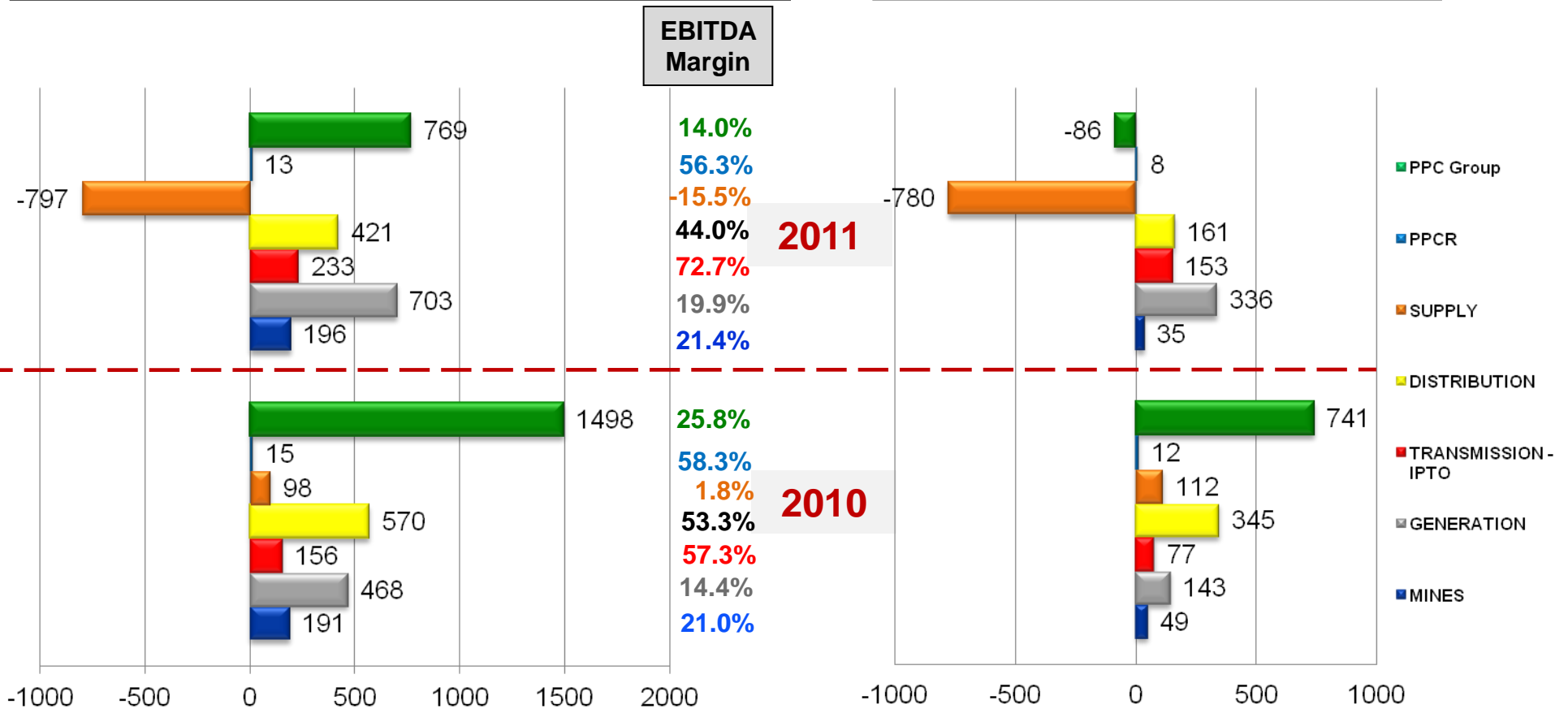
* Other expenses also include income/expenses regarding CO₂ emission rights valuation



Unbundled Results

EBITDA (€ mln) (1), (2)

Pre-tax Profits (€ mln) (1), (2)



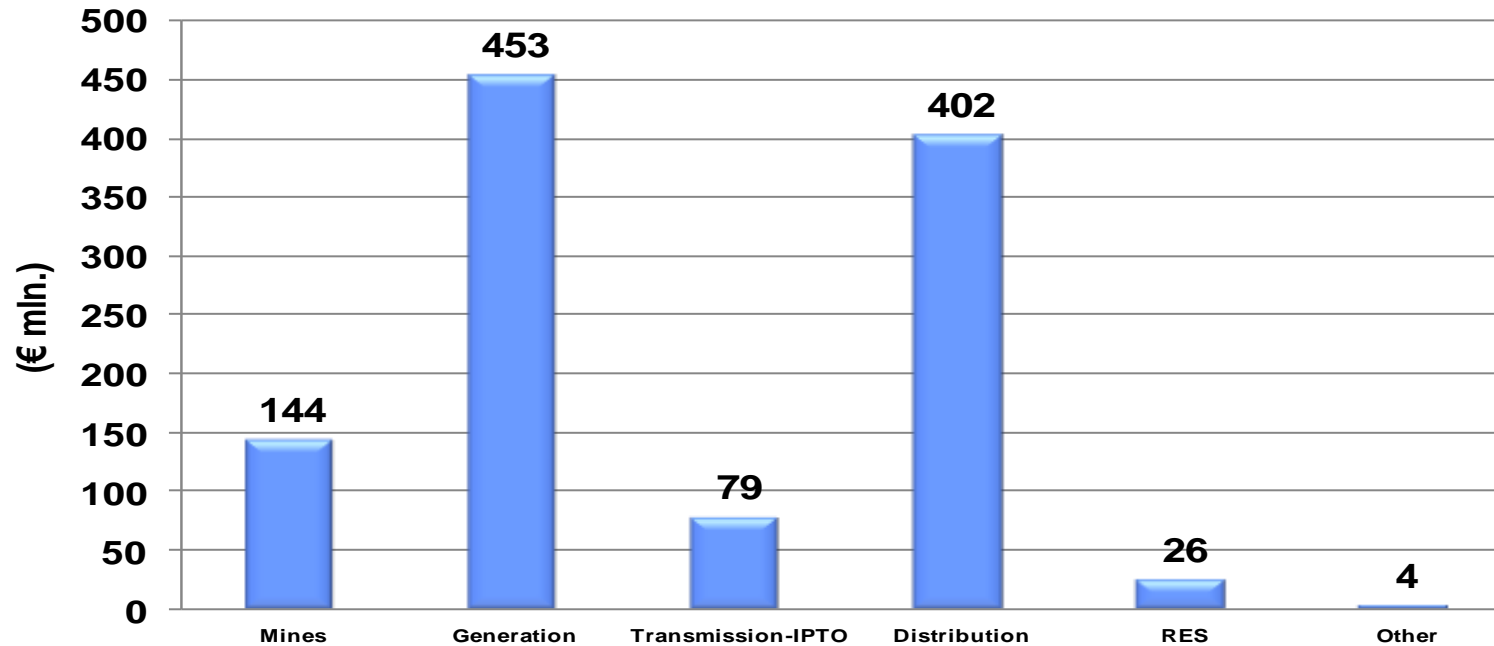
(1) without the impact of the contract for differences for 2010 between Generation Unit and Supply Unit.

(2) Including the respective figures of the Distribution System Operator and the Operator of the non interconnected islands.



Capex – Net Debt Evolution

- Capex € 1,108 mln. vs. € 963 mln. in 2010



- Increase in net debt by € 493 mln. from € 4,210 mln. on 31/12/2010 to € 4,703 mln. on 31/12/2011.
- Dividend payment in 2011: € 183 mln.
- Income tax and Advance Tax Payment in 2011 : € 287 mln.

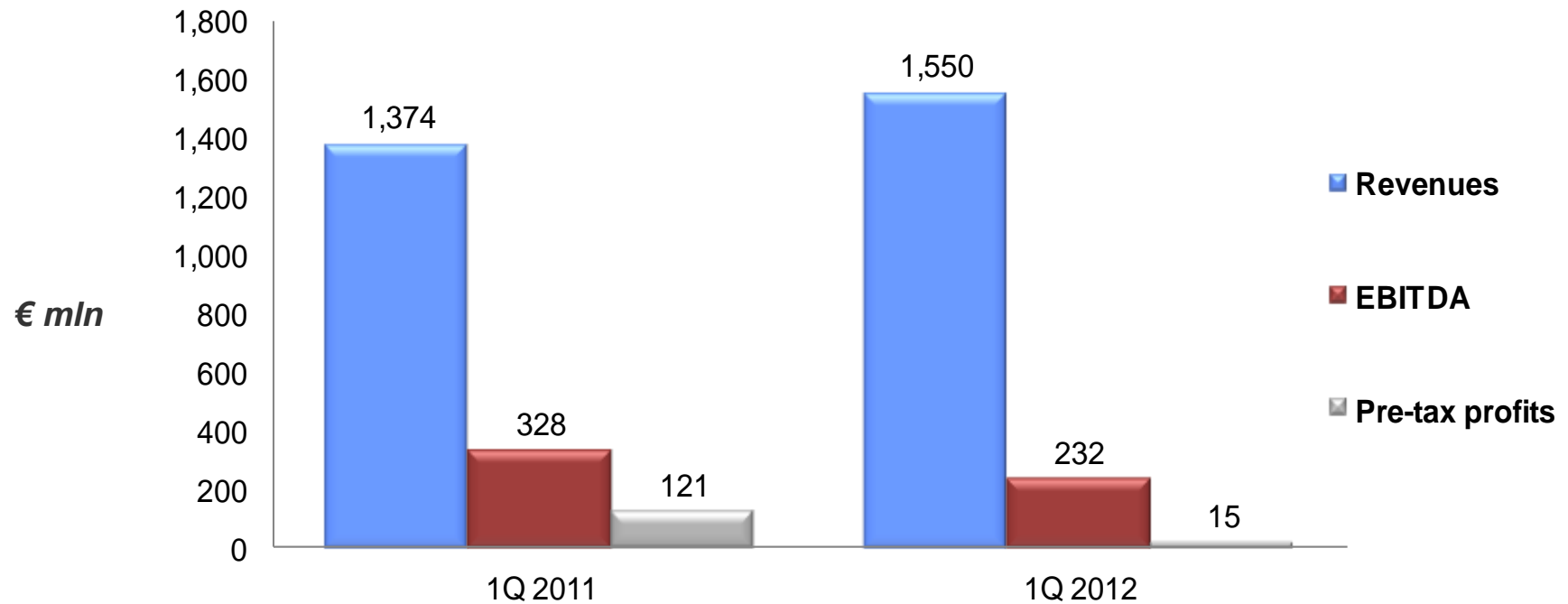


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Evolution of Key Figures (1Q 2012 / 1Q 2011)



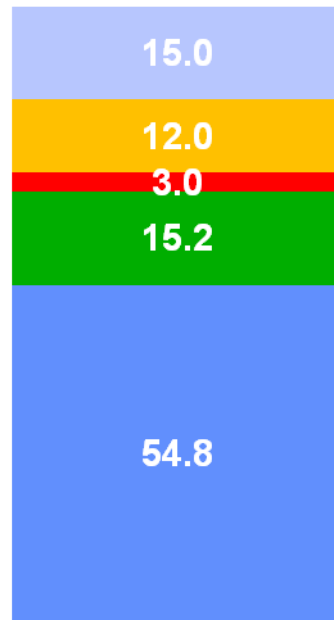
Δ% - Revenues	+12.8%
Δ% - EBITDA	-29.2%
Δ% - Pre-tax profits	-87.6%



Fuel, CO₂, other expenses and EBITDA as percentage of revenues (1Q 2012 / 1Q 2011)

Total Revenues

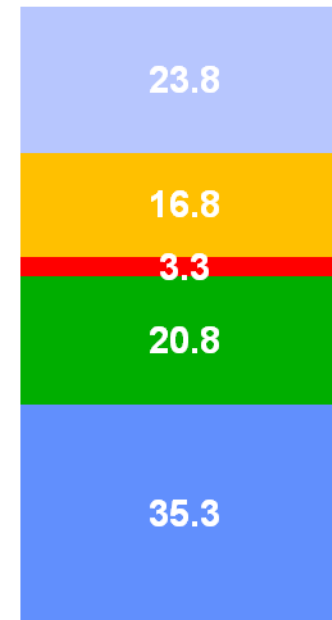
€ 1,549.8 mln.



1Q2012

Total Revenues

€ 1,374.4 mln.



1Q2011

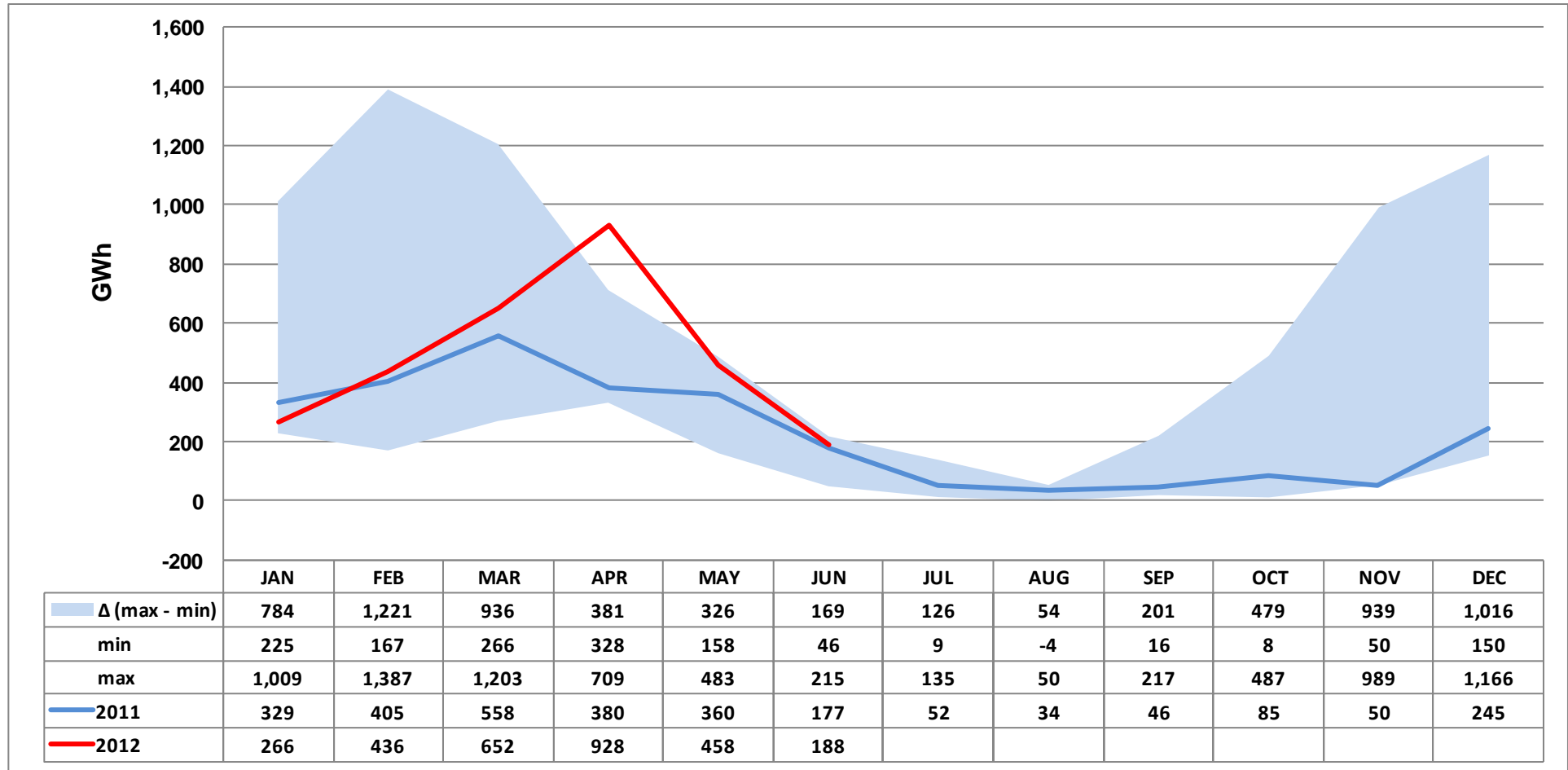
■ Fuel and Energy Purchases ■ Payroll ■ Provisions ■ Other Expenses ■ EBITDA Margin

In 1Q2012, 54.8% of the Company's total revenues were expensed for fuel, energy purchases and CO₂ emission rights compared to 35.3% in 1Q2011. On the other hand, the share of payroll expense was reduced to 15.2% compared to 20.8% in 1Q2011. EBITDA margin reached 15.0% vs 23.8% in 1Q2011.

* Other expenses also include income/expenses regarding CO₂ emission rights valuation



Water inflows evolution (January 2011 – June 2012)

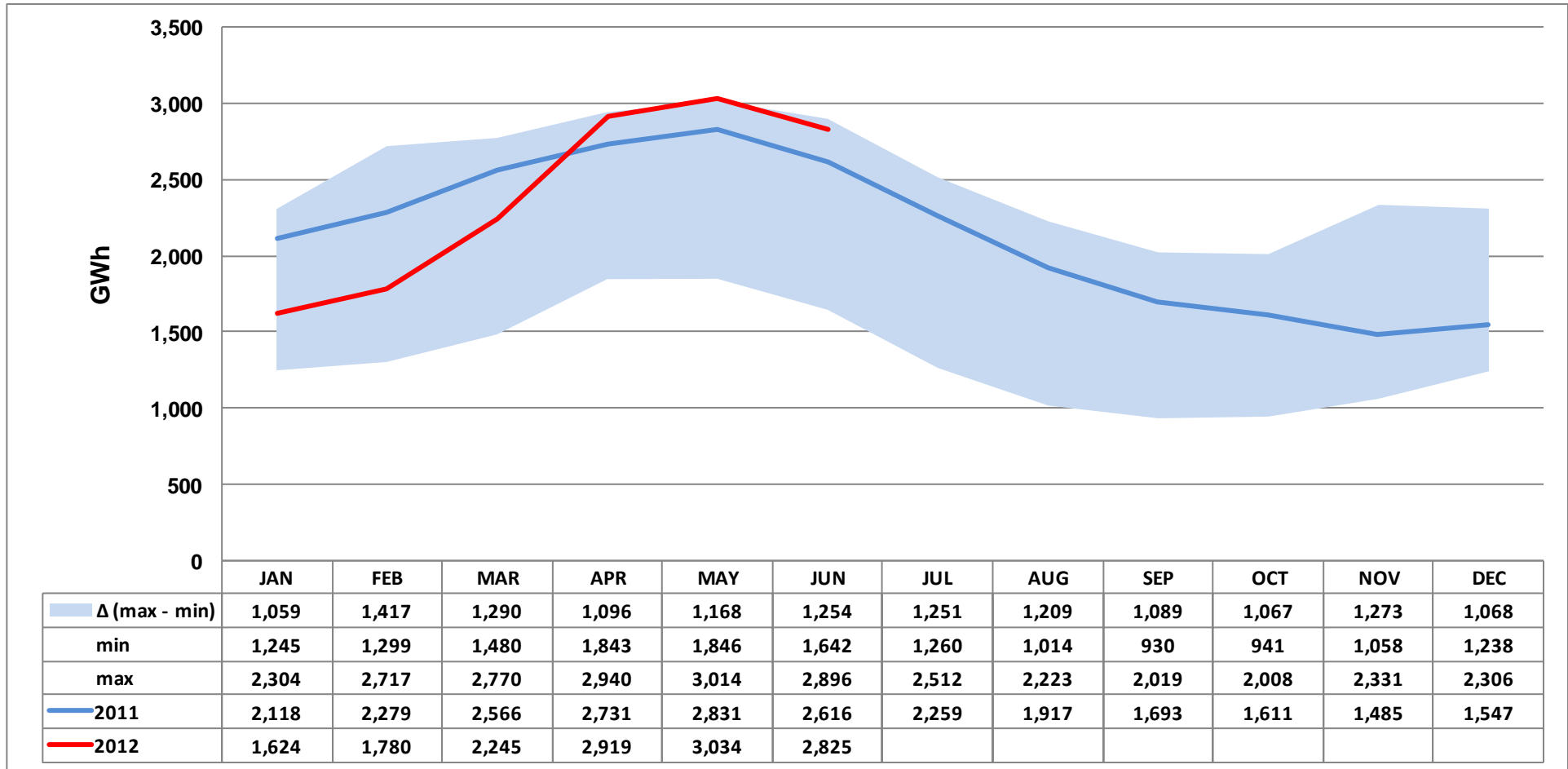


* Δ (max - min) area illustrates the range of water inflows from 2001 until 2011.

Water inflows for the period January – June 2012, amounted to 2,928 GWh, an increase of 719 GWh (+32.5%) compared to the respective period of 2011.



Hydro reserves evolution (January 2011 – June 2012)



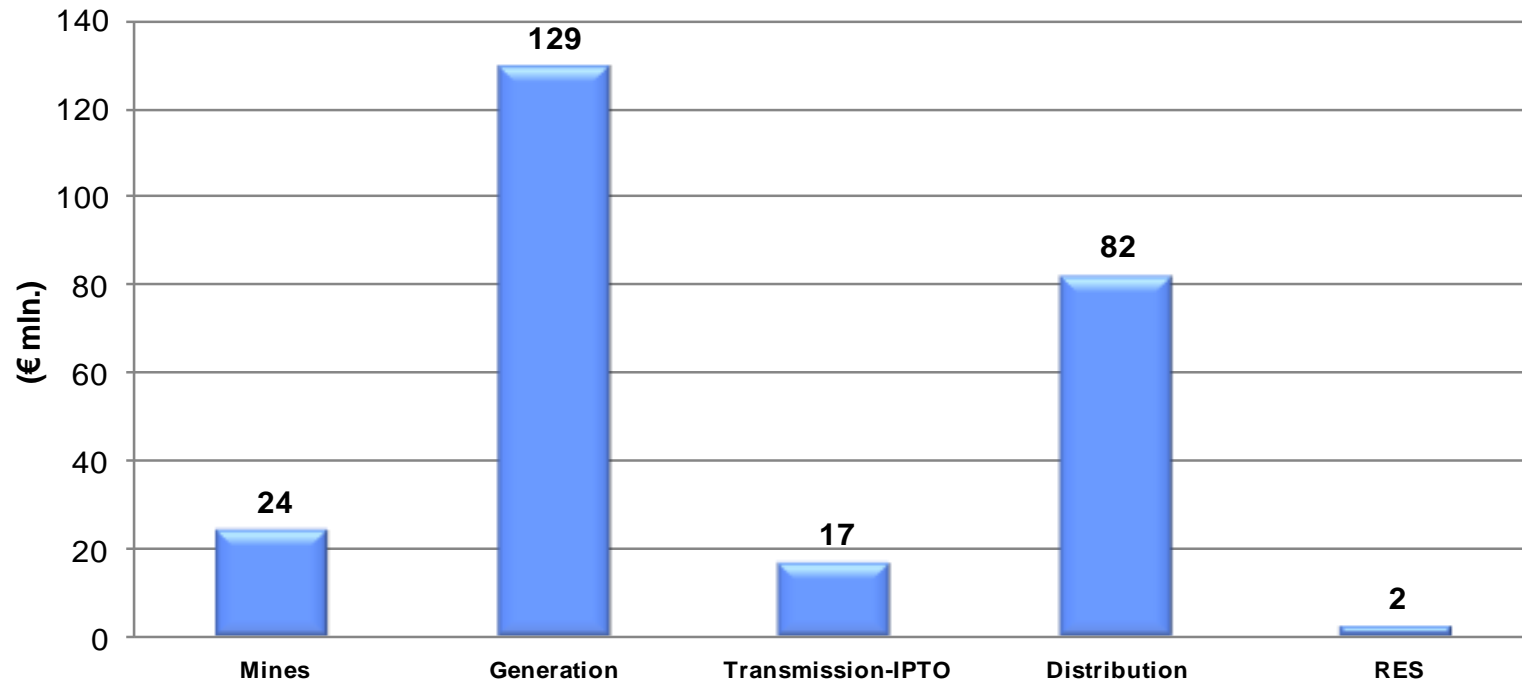
* Δ (max - min) area illustrates the range of hydro reserves from 2001 until 2011.

As of end of June 2012, hydro reserves amounted to 2,825 GWh, an increase of 8% compared to June 2011, reaching the maximum level of the decade 2001-2011.



Capex – Net Debt Evolution

- **Capex € 254 mln. vs. € 180 mln. in 1Q2011**



- **Increase in net debt by € 147.6 mln. compared to 31/12/2011 from € 4,702.7 mln. to € 4,850.3.**



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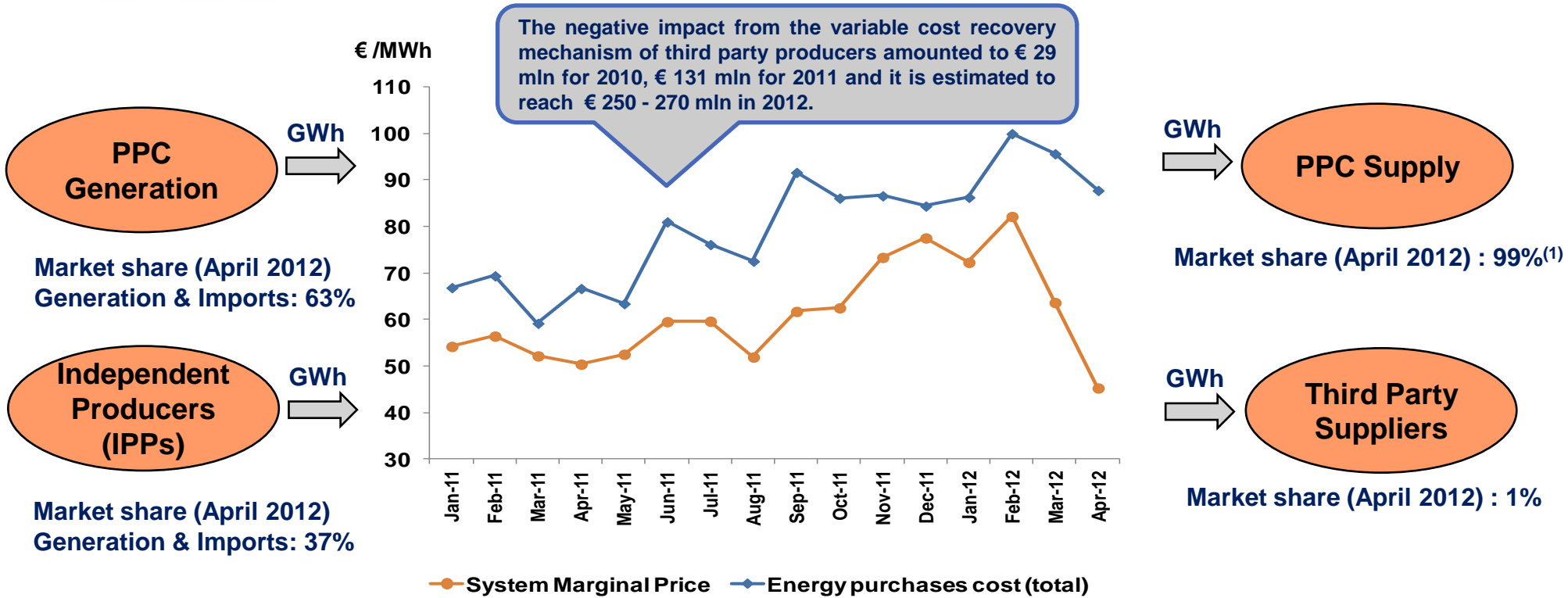


Regulatory Framework – Liberalisation process of the electricity market

- **Restructuring of tariffs and reduction of tariff categories to 9 - Transitional stage 2011: New categories of customers and tariff structures aiming at lifting the existing distortions.**
- **Establishment and implementation of the Social Residential Tariff.**
- **Addition of the CO₂ deficit cost in the calculation of the Variable Cost of Thermal Units (implementation as of 1.6.2011).**
- **Spin-off of Transmission Division to a 100% subsidiary of PPC (namely IPTO or ADMIE). As of 1.2.2012, all relevant electricity transmission activities and related personnel of the Hellenic Transmission System Operator (HTSO) were transferred to IPTO.**
- **Spin-off of Distribution activities to a 100% subsidiary of PPC (namely HEDNO), as of 1.5.2012, with the exception of the fixed assets of the networks, which remained at the parent company.**
- **New Low Voltage tariffs, effective as of 1.1.2012.**
- **New Medium Voltage tariffs, effective as of 1.2.2012.**



PPC's retail / wholesale market share gap widening (Interconnected System)



**TODAY THERE IS NO AUTOMATIC
MECHANISM LINKING WHOLESALE
PRICES WITH LV TARIFFS**

⁽¹⁾ Following the suspension of operation of alternative electricity suppliers in January and May 2012, PPC undertook the responsibility to supply electricity to the customers of these companies, as a last resort supplier.



Targets and priorities today

- **Liquidity and working capital management, given the great difficulty of the banking sector to extend additional loans.**
- **Gradual disbursement of approved lines by the European Investment Bank.**
- **Actions for the abolition of the distortions that have negative impact on the profitability and prospects of the Company.**
- **Adapt our investment model, by implementing strict criteria for the selection of investments so as to optimize the use of resources and secure the maximum possible return for the Company.**
- **Continuous monitoring and effort for the optimal management of receivables, also through the implementation of relevant policies of the Company.**
- **Cost cutting actions, over and above the significant reduction in total payroll cost by app. € 700 mln between 2009-2012 in areas such as overtime, travel expenses, contracting, third-party fees etc.**



DISCLAIMER

Some of the information contained herein includes forward-looking statements. It is noted that the Group is subject to various risks, which, among other, relate to €/€ exchange rate, oil, natural gas, electricity prices and the price of CO2 emission rights, as well as changes in the market, legal, regulatory and fiscal framework and bad debt evolution, that could cause actual results to differ materially from those anticipated in the forward-looking statements.