PUBLIC POWER CORPORATION S.A.

Interim Condensed
Consolidated and Separate
Financial Statements

March 31, 2014

In accordance with
International Financial Reporting Standards
adopted by the European Union

The attached interim condensed separate and consolidated financial statements have been approved by the Board of Directors of Public Power Corporation S.A. on May 29th, 2014 and they are available on the web site of Public Power Corporation S.A. at www.dei.gr.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN AND DEPUTY CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	ACCOUNTING DEPARTMENT DIRECTOR
ARTHOUROS C. ZERVOS	KONSTANTINOS D. DOLOGLOU	GEORGE C. ANGELOPOULOS	EFTHIMIOS A. KOUTROULIS

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Index

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(All amounts in thousands of Euro - except share and per share data)

	GROUP		COMPANY	
	01.01.2014-31.03.2014	**01.01.2013-31.03.2013**	**01.01.2014-31.03.2014**	**01.01.2013-31.03.2013**
REVENUES:				
Revenue from energy sales	1,451,558	1,440,068	1,448,573	1,437,062
Other	37,303	46,768	26,681	35,633
	1,488,861	**1,486,836**	**1,475,254**	**1,472,695**
EXPENSES:				
Payroll cost	175,227	180,420	92,614	98,499
Fuel	459,733	407,403	459,733	407,403
Depreciation and amortization	117,335	121,604	100,732	104,552
Energy purchases	368,019	433,949	374,398	439,439
Transmission system usage	-		52,532	56,932
Distribution system usage	-	-	106,200	107,300
Emission allowances	49,631	70,656	49,631	70,656
Provisions	147,937	98,337	149,466	97,657
Financial expenses	68,409	65,092	61,497	58,146
Financial income	(16,621)	(10,295)	(16,183)	(9,866)
Other (income)/ expense, net	8,876	72,862	(26,256)	30,712
Share of loss/(profit) of associates and joint ventures, net	3	(427)	-	-
Impairment loss of marketable securities	-	2,248	-	2,248
Foreign currency (gains)/ losses, net	1,050	(73)	1,050	(73)
PROFIT / (LOSS) BEFORE TAX	**109,262**	**45,060**	**69,840**	**9,090**
Income tax expense	**(27,954)**	**4,298**	(20,061)	(5,668)
NET PROFIT / (LOSS)	**81,308**	**49,358**	**49,779**	**3,422**
Earnings per share, basic and diluted	0.35	0.21		
Weighted average number of shares	232,000,000	232,000,000		

The accompanying notes are an integral part of these interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(All amounts in thousands of Euro)

	GROUP		COMPANY	
	01.01.2014-31.03.2014	**01.01.2013-31.03.2013**	**01.01.2014-31.03.2014**	**01.01.2013-31.03.2013**
Profit/(loss) for the period	**81,308**	**49,358**	**49,779**	**3,422**
Other Comprehensive income / (loss) for the period				
Other Comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods				
Profit/(Loss) from change of fair values of available for sale financial assets during the period	151	249	151	249
Net Other Comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods	**151**	**249**	**151**	**249**
Items not to be reclassified to profit or loss in subsequent periods				
Deferred taxes due to the change of the income tax rate of fixed assets' revaluation surplus	-	(81,850)	-	(61,387)
Net Other Comprehensive income / (loss) not being reclassified to profit or loss in subsequent periods	**-**	**(81,850)**	**-**	**(61,387)**
Other Comprehensive income / (loss) for the period after tax	**151**	**(81,601)**	**151**	**(61,138)**
Total Comprehensive income / (loss) after tax	**81,459**	**(32,243)**	**49,930**	**(57,716)**

The accompanying notes are an integral part of these interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.
INTERIM CONDENSED BALANCE SHEETS
AS OF MARCH 31, 2014
(All amounts in thousands of Euro)

	GROUP		COMPANY	
	31/3/2014	**31/12/2013**	**31/3/2014**	**31/12/2013**
ASSETS				
Non – Current Assets:				
Property, plant and equipment, net	12,860,035	12,931,720	11,104,439	11,150,928
Intangible assets, net	39,851	22,174	39,276	21,618
Available for sale financial assets	5,071	4,920	5,071	4,920
Other non-current assets	133,640	44,328	1,220,187	1,130,935
Total non-current assets	**13,038,597**	**13,003,142**	**12,368,973**	**12,308,401**
Current Assets:				
Materials, spare parts and supplies, net	737,347	785,325	537,138	588,186
Trade and other receivables, net and other current assets	1,943,675	1,609,148	1,760,383	1,530,001
Restricted cash	160,329	161,693	160,329	161,693
Cash and cash equivalents	466,937	260,278	240,000	185,513
Total Current Assets	**3,308,288**	**2,816,444**	**2,697,850**	**2,465,393**
Total Assets	**16,346,885**	**15,819,586**	**15,066,823**	**14,773,794**
EQUITY AND LIABILITIES				
EQUITY:				
Share capital	1,067,200	1,067,200	1,067,200	1,067,200
Share premium	106,679	106,679	106,679	106,679
Fixed assets' statutory revaluation surplus included in share capital	(947,342)	(947,342)	(947,342)	(947,342)
Revaluation surplus	4,175,700	4,186,763	3,467,854	3,478,917
Reserves	140,661	140,510	216,625	216,474
Retained earnings	942,174	849,763	1,461,964	1,401,121
Total Equity	**5,485,072**	**5,403,573**	**5,372,980**	**5,323,049**
Non-Current Liabilities:				
Interest bearing loans and borrowings	3,279,272	3,013,933	3,134,010	2,868,671
Provisions	608,728	616,223	365,308	372,412
Other non-current liabilities	2,824,541	2,788,620	2,638,049	2,620,176
Total Non-Current Liabilities	**6,712,541**	**6,418,776**	**6,137,367**	**5,861,259**
Current Liabilities:				
Trade and other payables and other current liabilities	2,130,910	2,012,808	1,853,660	1,916,184
Dividends payable	154	154	154	154
Income tax payable	52,193	46,977	40,097	39,294
Short-term borrowings	97,291	97,285	50,000	50,000
Current portion of interest bearing loans and borrowings	1,868,724	1,840,013	1,612,565	1,583,854
Total Current Liabilities	**4,149,272**	**3,997,237**	**3,556,476**	**3,589,486**
Total Liabilities and Equity	**16,346,885**	**15,819,586**	**15,066,823**	**14,773,794**

The accompanying notes are an integral part of these interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014

(All amounts in thousands of Euro)

						Other reserves				
	Share Capital	**Share Premium**	**Legal Reserve**	**Revaluation Surplus**	**Fixed Assets Statutory Revaluation Surplus**	**Fair value of available for sale financial assets**	**Tax-free and Other Reserve**	**Other Reserves Total**	**Retained Earnings**	**Total Equity**
Balance, January 1, 2013	**1,067,200**	**106,679**	**107,491**	**4,284,610**	**(947,342)**	**(249)**	**24,523**	**24,274**	**1,039,337**	**5,682,249**
Net income /(loss) for the period	-	-	-	-	-	-	-	-	49,358	49,358
Other comprehensive income/(loss) for the year recognized directly in equity	-	-	-	(81,850)	-	249	-	249	-	(81,601)
Total Comprehensive income/(loss) for the period after tax	**-**	**-**	**-**	**(81,850)**	**-**	**249**	**-**	**249**	**49,358**	**(32,243)**
Transfers from retirements of fixed assets	-	-		(3,750)	-	-	-	-	3,750	-
Other	-	-	-	-	-	-	-	-	(22)	(22)
Balance, March 31, 2013	**1,067,200**	**106,679**	**107,491**	**4,199,010**	**(947,342)**	**-**	**24,523**	**24,523**	**1,092,423**	**5,649,984**
Balance, January 1, 2014	**1,067,200**	**106,679**	**107,491**	**4,186,763**	**(947,342)**	**-**	**33,019**	**33,019**	**849,763**	**5,403,573**
Net income /(loss) for the period	-	-	-	-	-	-	-	-	81,308	81,308
Other comprehensive income/(loss) for the period recognized directly in equity	-	-	-		-	151	-	151	-	151
Total Comprehensive income/(loss) for the period after tax	**-**	**-**	**-**	**-**	**-**	**151**	**-**	**151**	**81,308**	**81,459**
Transfers from retirements of fixed assets	-	-	-	(11,063)	-	-	-	-	11,063	-
Other	-	-	-	-	-	-	-	-	40	- 40
Balance, March 31, 2014,	**1,067,200**	**106,679**	**107,491**	**4,175,700**	**(947,342)**	**151**	**33,019**	**33,170**	**942,174**	**5,485,072**

The accompanying notes are an integral part of these interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014
(All amounts in thousands of Euro)

	Share Capital	Share Premium	Legal Reserve	Revaluation Surplus	Fixed Assets Statutory Revaluation Surplus	Other reserves: Fair value of available for sale financial assets	Other reserves: Tax-free and Other Reserve	Other reserves: Other Reserves Total	Retained Earnings	Total Equity
Balance, January 1, 2013	**1,067,200**	**106,679**	**107,491**	**3,559,308**	**(947,342)**	**(249)**	**118,496**	**118,247**	**1,690,976**	**5,702,559**
Net income /(loss) for the period	-	-	-	-	-	-	-	-	3,422	3,422
Other comprehensive income/(loss) for the period recognized directly in equity	-	-	-	(61,387)	-	249	-	249	-	(61,138)
Total Comprehensive income/(loss) for the period after tax	**-**	**-**	**-**	**(61,387)**	**-**	**249**	**-**	**249**	**3,422**	**(57,716)**
Transfers from retirements of fixed assets	-	-	-	(3,750)	-	-	-	-	3,750	-
Other	-	-	-	-	-	-	-	-	(80)	(80)
Balance, March 31, 2013	**1,067,200**	**106,679**	**107,491**	**3,494,171**	**(947,342)**	**-**	**118,496**	**118,496**	**1,698,068**	**5,644,763**
Balance, January 1, 2014	**1,067,200**	**106,679**	**107,491**	**3,478,917**	**(947,342)**	**-**	**108,983**	**108,983**	**1,401,121**	**5,323,049**
Net income /(loss) for the period	-	-	-	-	-	-	-	-	49,779	49,779
Other comprehensive income/(loss) for the period recognized directly in equity	-	-	-		-	151	-	151	-	151
Total Comprehensive income/(loss) for the period after tax	**-**	**-**	**-**	**-**	**-**	**151**	**-**	**151**	**49,779**	**49,930**
Transfers from retirements of fixed assets	-	-	-	(11,063)	-	-	-	-	11,063	-
Other	-	-	-	-	-	-	-	-	1	1
Balance, March 31, 2014	**1,067,200**	**106,679**	**107,491**	**3,467,854**	**(947,342)**	**151**	**108,983**	**109,134**	**1,461,964**	**5,372,980**

The accompanying notes are an integral part of these interim, condensed, consolidated and separate financial statements.

PUBLIC POWER CORPORATION S.A.

INTERIM CONDENSED CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014

(All amounts in thousands of Euro)

	GROUP		COMPANY	
	01.01.2014-31.03.2014	**01.01.2013-31.03.2013**	**01.01.2014-31.03.2014**	**01.01.2013-31.03.2013**
Cash Flows from Operating Activities				
Profit / (loss) before tax	109,262	45,060	69,840	9,090
Adjustments :				
Depreciation and amortization	166,275	171,737	148,388	153,022
Amortization of customers' contributions and subsidies	(18,958)	(19,323)	(17,675)	(17,660)
Interest expense	62,126	59,301	55,425	52,545
Other adjustments	19,650	138,174	21,707	137,450
Changes in assets	(438,642)	(139,444)	(332,608)	(105,861)
Changes in liabilities	142,312	39,946	(74,177)	2,355
Net Cash from Operating Activities	**42,025**	**295,451**	**(129,100)**	**230,941**
Cash Flows from Investing Activities				
Capital expenditure/(disposal) of fixed assets and software	(90,130)	(223,672)	(77,607)	(159,336)
Proceeds from customers' contributions and subsidies	-	206	-	205
Interest and dividents received	12,721	10,295	12,283	9,866
Investments	(613)	590	(113)	-
Net Cash used in Investing Activities	**(78,022)**	**(212,581)**	**(65,437)**	**(149,265)**
Cash Flows from Financing Activities				
Net change in short term borrowings	6	(1,297)	-	-
Proceeds from interest bearing loans and borrowings	331,132	-	331,132	-
Principal payments of interest bearing loans and borrowings	(37,976)	(141,033)	(37,976)	(141,033)
Interest paid	(50,506)	(45,887)	(44,132)	(41,538)
Net cash used in Financing Activities	**242,656**	**(188,217)**	**249,024**	**(182,571)**
Net increase/ (decrease) in cash and cash equivalents	206,659	(105,347)	54,487	(100,895)
Cash and cash equivalents at the beginning of the period	260,278	279,427	185,513	221,208
Cash and cash equivalents at the end of the period	**466,937**	**174,080**	**240,000**	**120,313**

The accompanying notes are an integral part of these interim, condensed, consolidated and separate financial statements.

1. CORPORATE INFORMATION

Public Power Corporation S.A. ("PPC" or the "Parent Company") was established in 1950 in Greece for an unlimited duration as a State owned and managed corporation for electricity generation, transmission and distribution throughout Greece.

In 1999, the Hellenic Republic enacted Law 2773/1999 ("the Liberalization Law"), which provided for, among other provisions, the transformation of PPC into a société anonyme. PPC's transformation to a société anonyme was effected on January 1, 2001, by virtue of Presidential Decree 333/2000 and its duration was set for 100 years.

Effective December 2001, PPC's shares are listed on the Athens and the London Stock Exchanges.

In 2007 the Parent Company proceeded to the spin- off of its RES activity and its contribution to its wholly owned subsidiary PPC Renewables S.A.
On 01.12.2011 the Parent Company proceeded to the spin – off of its General Division of Transmission and the contribution to its wholly owned subsidiary "Independent Power Transmission Operator" (IPTO S.A.).
On 01.05.2012 the spin –off of the General Division of Distribution was completed by its contribution to PPC's wholly owned subsidiary "Hellenic Electricity Distribution Network Operator" (HEDNO S.A.).
The accompanying financial statements include the separate financial statements of PPC and the consolidated financial statements of PPC and its subsidiaries ("the Group").

PPC headquarters are located at 30, Chalkokondili Street, Athens, 104 32 Greece.

At March 31, 2014, the number of staff employed by the Group was 19,049 (2013: 19,959).
At March 31, 2014, 104 employees of the Group (2013: 112), have been transferred to several State agencies (ministries, organizations, etc.) out of which, 96 were compensated by PPC (2013: 104). The total payroll cost of such employees, for the first quarter of 2014 amounted to Euro 942 (2013: Euro 874) and is included in the income statement.
Additionally, PPC's transferred employees in TAYTEKO-TAP/DEI amounted to 405 while at IKA- TAP/DEI PPC's transferred employees amounted to 37 on 31.03.2014, for whom payroll at March 31, 2014, amounted to Euro 4,955.

PPC Group generates electricity in its own 62 power generating stations of the Parent Company and from the additional stations which belong to its wholly owned subsidiary PPC Renewables, facilitates the transmission of electricity through its own power lines of approximately 12,174 kilometres (out of which 11,225 kilometres is owned by its wholly owned subsidiary Independent Power Transmission Operator (IPTO S.A.) and distributes electricity to consumers through its own distribution lines for Medium and Low voltage of 233,360 kilometres which are managed by its wholly owned subsidiary "Hellenic Distribution Network Operator (HEDNO S.A.)" (Medium and Low voltage).

Lignite consumed by the Parent Company's lignite-fired power stations is extracted, mainly, from its own lignite mines.

The Group PPC has also constructed approximately 2,000 kilometres of fibre optics network along its transmission lines, approximately 161.6 kilometres of urban underground fibre optics network and approximately 17 kilometres of underwater fibre optics network.

2. LEGAL FRAMEWORK

GENERAL PROVISIONS FOR THE INTERNAL ELECTRICITY MARKET – 1st Quarter 2014

- RAE announced a public consultation for the creation of a regulated forward energy market regarding the access of Suppliers to energy from lignite and hydro generation. The forward products will be available through regulated auctions, and will correspond to energy accounting to 25-30% of the total annual lignite and hydro generation of PPC. Owners of supply licence, except PPC, will be eligible to participate in the auctions provided that energy acquired will be used to serve the domestic load. The consultation will remain till 30 May 2014.
- By the Ministerial Act 15/24.7.2013 (OG A 168/24.07.2013) the restructuring and privatization of PPC was approved, which includes three main steps :
  1. Ownership unbundling of IPTO SA.
  2. Creation of a new integrated electricity company (providing in detail the process of selling).
  3. Privatization of PPC.

2. LEGAL FRAMEWORK (CONTINUED)

- The law 4237/2014 on the ownership unbundling of IPTO SA was voted by the Hellenic Parliament on 06.02.2014 and was published in OG A' 36/12.2.2014. Certain provisions of the original Decree have been amended (OG A' 168/24.07.2013) to simplify the process of the full ownership separation of IPTO SA from PPC SA whereas the acquisition by the Greek government of 34% of the share capital of the company is provided, in order to by ensure registered minority. The signing of sale and purchase agreements for the shares representing 66 % of the shares issued by IPTO SA (Share Purchase Agreement) with the preferred investor that will be chosen will take place in the second quarter of 2014. Finally, it is noted that the price for the acquisition of the shares representing 34% that will revert to the Greek may be paid by offsetting taxes due, fees or other claims of the Greek State from PPC, from any cause they may arise, including future claims and rights.
- On April 10, 2014, following the relevant decision of PPC's BoD, the invitation to submit an expression of interest for the acquisition of 66% of IPTO's share capital was published in the Parent Company's site as well as to several printed media (domestic as well as international), with a deadline of May 9, 2014. In May 2014, the Parent Company announced that the first phase of the tender process for the acquisition of the 66% of the share capital of IPTO has been completed. Five (5) expressions of interest (EoI) were submitted, a proof of the strong competition and intense international investment interest expression. PPC will review the submitted expressions of interest and the interested parties meeting the criteria of EoI will be invited in the second phase. In that phase the shortlisted investors will have the opportunity to (perform ή carry out) a full due diligence and will be invited to submit binding financial offers for the acquisition of the 66% share capital of IPTO. HSBC Band Plc, Citigroup Global Markets Ltd and NBG Securities are acting as financial advisors while KLC and Norton Rose Fullbright as legal advisors of PPC in the tender process for IPTO.
- The detailed methodology of the Hellenic Electricity Transmission System required revenue is under consultation by RAE. The consultation ended on May 23, 2014. The main issues of the methodology include the definition of the Regulated Period, the parameters defining the required revenue, the establishment of the Regulated Asset Base and the incentive mechanisms for the Projects of major importance.
- The Bill for the creation of Small PPC has been submitted to the Parliament for voting, according to which the following elements of PPC's generation capacity will be granted to the new company:

  a) the Amyntaion Power Station (Generation Units I & II) with a generation capacity of 600 MW, the Meliti I Power Station with a generation capacity of 330 MW and the license for the future Meliti II Power Station with a generation capacity of 450 MW all of which are lignite power plants
  b) all PPC's mining rights on the lignite concession rights of the Amyntaion (including the Lakkia mine), Kleidi, Lofoi Melitis, the Komnina I & II and the Vevi mines
  c) the Platanovrisi (116 MW), the Thesavros (384 MW), the Agras (50 MW), the Edesseos (19 MW) and the Pournari I & II (334MW) hydro-power plants and
  d) the Komotini natural gas power Plant with a generation capacity of 485 MW.

  The new company will also be granted with PPC's electricity supply contracts, together with the ancillary legal relationships and other Supply assets, without the consent of its customers and without the need for these contracts to be drawn up in writing. PPC will be required for a six month period after the completion of the spin – off to refrain from any form of cherry picking policy in re – attracting the customers whose electricity supply contracts were granted to the new company. No electricity supply contracts under the "Supplier of Last Resort" and the "Supplier of Universal Service" regimes as well as those with customers in the Non Interconnected Islands will be granted to the new company.
  The timetable for the sale by PPC of the stocks of the new company which at an initial stage will be a wholly owned subsidiary of PPC, with the assistance of HRDAF, provides for the completion of the the spin- off in the 1st quarter of 2015 and the new company starting its operation in the same year.
- The decision of the Interministerial Committee for Restructurings and Privatization was published (Decision 249 – OG B 864/8.4.2014) for the transfer, at no consideration, from the Hellenic State to the HRADF SA , of PPC SA 39,440,000 common shares with voting rights, which corresponds to about 17% of the total paid up share capital of the company.
- Law 4254/2014 was entered into force which, among other, rectifies significant changes to the RES regulatory framework, with the most important of them to be as follows :

2. LEGAL FRAMEWORK (CONTINUED)

- ✓ Redefinition of the compensation amount for the electricity sold by the operating RES and CHP stations, depending on the connection quarter, the installed capacity, the establishment of the investment by using state aid or private funds and on the technical criteria
- ✓ Removal of the existing provisions for readjustment of sales prices based on values of the consumer price index rate
- ✓ The HEMO / HEDNO will adjust, where necessary, the compensation prices of the energy produced by the entry into force of this Act and will establish a relevant table within four months, which will be notified to RAE and YPEKA .
- ✓ Finally, it is noted that the generation licences and the connection terms offers suspension for the new P/V stations, which had been imposed by the Minister of PEKA in August 2012, is withdrawn.

- Special regulatory measures of limited duration (up to September 30, 2014) are still in force (Decisions 338/2013 and 339/2013), which are the following :

a) The margin of the variable cost recovery mechanism, has already been withdrawn, (from 10% 2013 to 0% today), whilst the mechanism itself will be fully repealed on 1st July 2014.
b) Removal, from 1st January 2014, of the 30% rule on the bidding of the plants.
c) Direct reorganization of the capacity assurance transitional mechanism. The existing mechanism remains in force, with important differences .

These measures, as already noted, will be applied until the new mechanisms and measures that already have been proposed and specified by the RAE, under the initiative of the overall reorganization of the domestic electricity market, will replace them.

HELLENIC ELECTRICITY TRANSMISSION SYSTEM (HETS)

- The 2013 Annual Report of the Compliance Officer of the IPTO, concerning the new measures taken by IPTO SA on the implementation of the Compliance Program was approved.
  The conditions in which that report is published shows the specificity of the impending change in the ownership of the company, with the sale of most of the shares of the parent company PPC SA (66%) to a private investor and to the State (34%). Once the transfer of ownership is completed, the company will no longer be a subsidiary of a vertically integrated company and therefore will not be subjected, according to Directive 2009/72/EC, to the Independent Transmission Operator (ITO) model. The Directive does not provide for a Supervisory Board and a Compliance Officer and may be repealed by the new law regulating the Operator status under the new ownership.
- The guarantees for 2014 were approved, according to art. 179 of the Grid Control Code and the Market Manual (RAE's Decision 44/2014).
- RAE has approved the calculation basis for the cost of losses proposed by the Transmission Operator and defined the Losses Unit Cost in the context of the of the ITC implementation, for the year 2014, to 65€/MWh (OG B' 501/2014)
- The transmission system use charges were defined for the year 2014 (RAE's Decision 195/2014). The new charges, which will apply from June 1st 2014, results into the following changes per customers categories :
  - ✓ reduction of the High Voltage (large industries) unit charges at 4,9% compared to current rates
  - ✓ decrease of the Medium Voltage (medium- sized industries , large and medium-sized commercial and small business) unit charges transmission charges at 29%
  - ✓ increase of Low Voltage (households) charges between 0.5% and 0.8% cumulatively for the System and the network).

  Furthermore the rate of return on the Regulated Asset Base (nominal, pre-tax) was increased to 8,5% versus the older 8%.
- RAE issued Decision 197/2014 by which, ADMIE is mandated to complete the public consultation and send his proposal for the amendment of the Hellenic Grid Code as well as the Settlement Manual, concerning the methodology for the allocation of the deficits per account. In the framework of the public consultation PPC has expressed its disagreement to the concept of the allocation of the accumulated deficit as well as its concern on technical implementation details of the methodology.

HELLENIC ELECTRICITY DISTRIBUTION NETWORK (HEDN)

- The operation code of electrical systems of the Non Interconnected Islands (NII Code) was adopted by RAE's Decision (OG B' 304/11.02.2014). It's application was predicted to occur gradually through a 5 year transitional phase, which was considered necessary for the gradual development and installation of the necessary infrastructure and the appropriate and adequate staffing of the NII Operator.

2. LEGAL FRAMEWORK (CONTINUED)

- Following a public consultation RAE has published the methodology for the calculation of the return for PSOs in the Non- Interconnected islands (RAE Decision 14/2014, OG B' 270/07.02.2014).
- The reasonable return on the value of the regulated asset base was also determined, based on the nominal pre-tax interest rate in applying the methodology of calculation of the compensation for covering the PSO provision cost in the NII as well as on the Contracts between HEDNO and PPC as a supplier and generator of conventional units in NII. The reasonable return for the generation activity in NII for the years 2012 and 2013 was established to be the nominal pre-tax rate of 8 %. For the year 2014 (and till the readjustment of the return for the monopolistic activities of transmission and distribution systems) the nominal pre-tax rate of 8 % will be applied as the reasonable return for the same methodology implementation, for the Contracts and for the participation of the producers in the NII.
- By RAE's Decision 82/2014 the terms and restrictions of the Exclusivity License for HEDN which was given to PPC, according to Art. 122 of L.4001/2011, were defined while by RAE's Decision 83/2014 HEDNO was awarded HEDN's Management License according to art.126 of L. 4001/2011.
- The budgeted weighted variable cost of the conventional units electricity generation in the non-interconnected islands was defined for the first half of 2014, at 170.04 €/MWh (RAE's Decision 138/2014)
- Following RAE's Decision 665/2013 and HEDNO's S.A. Final Proposal for the improvement and the redesign of the "Guaranteed Services" Program, RAE approved HEDNO's S.A. "Guaranteed Services" Program for the first period from 01.04.2014-31.12.2015 with being entry into force at 01.04.2014 (Decision 165/2014)
- The distribution network use charges were determined for the year 2014 (RAE's Decision 196/2014). The new charges, which will apply from June 1st 2014, result into the following changes per customers categories :
  - ✓ For customers connected to the medium voltage (medium-sized industries, large and medium-sized commercial and small business), the use of network charges are decreased by 1.8% for the energy part and are increased by 3.4% for the capacity part.
  - ✓ For household customers at low voltage, the total increase (cumulatively for the System and the Network) is between 0.5% and 0.8%.

  Furthermore the rate of return of the Regulated Asset Base (nominal, pre-tax) was increased to 8,5% versus the older 8%.

CODES AND MANUALS

- LAGIE announced to the market participants that under Article 25 of the Power Exchange Code, from January 1st 2014, and especially for the first step of the stepwise function of the thermal units energy injection priced bid, the submission of energy price lower than the administratively defined minimum energy offer price will not be allowed for energy quantity not exceeding 30% of the total amount of energy available to an allocation period (paragraphs 1 and 2 of Article 25 of the Power Exchange Code not valid anymore).

PUBLIC SERVICE OBLIGATIONS (PSOs)

- To ensure public service obligations supply (PSOs) in the electricity sector, a legislative regulation was published (L.4067/2012 - OG A' 79 / 9.4.2012) according to which, from 1.1.2012 the persons liable for the PSOs are the respective users of each electricity supply, in order for the electricity suppliers to be able to provide electricity continuously and without impediments. The PSO charge is paid to the above mentioned suppliers with a distinct charge to the bills they receive. By the effect date of the above mentioned Law the Ministerial Decision of the Ministry for the Environment, Energy and Climate Change 1.17/2123/2857/2010 and RAE' Decision 1527/2011 are abolished.
- The upper limit of the annual customer charge per consumption, for covering the PSOs charges for the year 2014, was defined to 803.977 € (Decision 84/2014)

PPC TARIFFS

- RAE's opinion was the creation of new special tariff in the context of SHT, which will cover the vulnerable customers taking part on common meals organized by Municipalities, Church and Perfectures (integrated in social and welfare facilities) on November 1st 2013, and who have been disconnected from the power grid, due to arrears to the supplier. The tariff will concern the free provision of electricity, as for its competitive part. Charges will only be applicable for the regulated charges, third parties (municipalities, NERIT) charges and taxes. Any arrears will remain valid and will not be deleted. The inclusion in the new special tariff will be valid for one quarter of the year. The free consumption limit for the four – month period will be the amount of 800 kWh (RAE Opinion 1/2014).

2. LEGAL FRAMEWORK (CONTINUED)

ETMEAR – SPECIAL FEE FOR THE REDUCTION OF CO2 EMISSIONS (ex RES Fee)

- According to RAE's Decision 175/2014 the new weighted readjustment of ETMEAR was defined at 19,73€/MWh, valid from 1st April 2014, so as to achieve the by Law 4111/2013 mandatory target of achieving a zero deficit at the end of 2014. Similarly the allocation coefficients of the Special Fee revenues, the final amounts of the allocated required revenue by the Special Fee and the charges of the Special Fee per Customer category were also defined . For the accurate determination of the amount of the readjustment it was taken into account, inter alia, the following : a) the voting of L.4254/2014, where additional provisions are introduced for the improvement of the Special Account, through which an additional saving is achieved, and b) the calculation of the required revenue from ETMEAR for the period April - December 2014 at 781.57 million €, according to the last Monthly Bulletin of the Special Account of RES & CHP of LAGIE SA).
- According to the ministerial Decision 1.21/ 4123/5.3.2014 the calculation methodology of ETMEAR was modified so that the ETMEAR charge for medium voltage customers with a total annual consumption of more than 13 GWh per supply will correspond to the High Voltage ones
- Furthermore the maximum annual Customer charge per consumption of ETMEAR was determined in the amount of 991.000 €. for 2014 (RAE's Decision 85/2014)

OTHER ISSUES

- RAE's Decisions were published a)regarding the approval of the Annual Load Balancing Planning of the natural gas transmission System for the Year 2014 and the approval of the capacity part of ESFA bound by DESFA SA for the load balancing for the Year 2014 (Decision 637/2013) , b) the approval of amendments of the Annual Load Balancing Planning for the Year 2013 and the approval of the capacity part of ESFA bound by DESFA SA for the load balancing for the Year 2013 (Decision 636/2013). Also, the update of the relevant points of Annual Load Balancing Planning was approved (Decision 575/2013).
- The annual compensatory fees for RAE were readjusted for 2014 according to the rate change of the Consumer Price Index for the year 2013, applicable to those participating in the electricity market. For the licenced Generators, the amount is set at 8,26 €/MW, while for the licenced Suppliers is set at 0,07 € / MW (RAE Decision 101/2014).

3. BASIS OF PREPARATION ND PRINCIPAL ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION

Basis of preparation of financial statements

The accompanying interim condensed consolidated and separate financial statements ("financial statements") for the three month period ended March 31, 2014 have been prepared in accordance with IAS 34 "Interim Financial Reporting" which defines the form and the content of the interim financial statements. The accompanying financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the latest annual financial statements as at December 31, 2013 made publicly available.

The accompanying financial statements have been prepared under the historical cost convention (except for tangible assets, financial assets "held – for – sale" and derivative financial assets that have been measured at fair value), assuming that PPC and its subsidiaries will continue as a going concern. The financial statements are presented in thousands of Euro and all values are rounded to the nearest thousand, except when otherwise indicated.

As at March 31, 2014, the total current liabilities of the Group and the Parent Company exceed the total current assets by the amount of approximately Euro 840.9 mil. and Euro 858.6 mil., respectively.

In April 2014 by signing a five year syndicated loan amounting to Euro 2.23 bil. PPC completed the refinancing of all of its existing loan obligations with the syndicated banks including its short term loan obligations to them, amounting to Euro 1,395.5 mil.

Additionally, in May 2014, the Parent Company proceeded to the successful offering of Senior Notes of Euro 700 mil., combining notes of Euro 200 mil. maturing in 2017 and Notes of Euro 500 mil maturing in 2019, respectively. Moreover, negotiations of its subsidiary IPTO S.A. are in progress with all of its lending bank, in order for IPTO to refinance its medium - long term loan obligations through the issuance of a syndicated loan of Euro 337 mil.

In light of the above, the financial statements of the Parent Company and the Group have been prepared on the basis of the continuation as a going concern.

3.1 BASIS OF PREPARATION (CONTINUED)

Approval of Financial Statements
The Board of Directors approved the accompanying financial statements for the three month period ended March 31, 2014, on May 29, 2014.

3.2 CHANGES IN ACCOUNTING POLICIES

Changes in accounting policy and disclosures
The accounting policies applied to the separate and consolidated financial statements are the same as those applied to the annual separate and consolidated financial statements for the year ended December 31, 2013 with the exception of the following interpretations, that are valid as of 1 January 2014 onwards.

- **IAS 28 Investments in Associates and Joint Ventures (Revised)**
  The Standard is effective for annual periods beginning on or after 1 January 2014. For companies which apply IFRS as adopted by the EU, the effective date is 1 January 2014. As a consequence of the new IFRS 11 "Joint arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", IAS 28 "Investments in Associates", has been renamed IAS 28 "Investments in Associates and Joint Ventures", and describes the application of the equity method to investments in joint ventures in addition to associates.

- **IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities**
  The amendment is effective for annual periods beginning on or after 1 January 2014.These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

- **IFRS 9 Financial Instruments: Classification and Measurement and subsequent amendments to IFRS 9 and IFRS 7-Mandatory Effective Date and Transition Disclosures; Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39**
  IFRS 9, as issued, reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of financial assets, but will not have an impact on classification and measurements of financial liabilities. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The subsequent package of amendments issued in November 2013 initiate further accounting requirements for financial instruments. These amendments a) bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements; b) allow the changes to address the so-called 'own credit' issue that were already included in IFRS 9 Financial Instruments to be applied in isolation without the need to change any other accounting for financial instruments; and c) remove the 1 January 2015 mandatory effective date of IFRS 9, to provide sufficient time for preparers of financial statements to make the transition to the new requirements. These standard and subsequent amendments have not yet been endorsed by the EU. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

- **IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements**
  The new standard is effective for annual periods beginning on or after 1 January 2014. IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation — Special Purpose Entities.
  IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27.

- **IFRS 11 Joint Arrangements**
  The new standard is effective for annual periods beginning on or after 1 January 2014. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method.

3.2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- **IFRS 12 Disclosures of Interests in Other Entities**
  The new standard is effective for annual periods beginning on or after 1 January 2014. IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required.

- **Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)**
  The guidance is effective for annual periods beginning on or after 1 January 2014. The IASB issued amendments to IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities. The amendments change the transition guidance to provide further relief from full retrospective application. The date of initial application' in IFRS 10 is defined as 'the beginning of the annual reporting period in which IFRS 10 is applied for the first time'. The assessment of whether control exists is made at 'the date of initial application' rather than at the beginning of the comparative period.
  If the control assessment is different between IFRS 10 and IAS 27/SIC-12, retrospective adjustments should be determined. However, if the control assessment is the same, no retrospective application is required. If more than one comparative period is presented, additional relief is given to require only one period to be restated. For the same reasons IASB has also amended IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities to provide transition relief.

- **Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)**
  The amendment is effective for annual periods beginning on or after 1 January 2014. The amendment applies to a particular class of business that qualify as investment entities. The IASB uses the term 'investment entity' to refer to an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. An investment entity must also evaluate the performance of its investments on a fair value basis. Such entities could include private equity organizations, venture capital organizations, pension funds, sovereign wealth funds and other investment funds. Under IFRS 10 Consolidated Financial Statements, reporting entities were required to consolidate all investees that they control (i.e. all subsidiaries). The Investment Entities amendment provides an exception to the consolidation requirements in IFRS 10 and requires investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendment also sets out, disclosure requirements for investment entities

- **IFRS 14 Regulatory Deferral Accounts**
  The standard is effective for annual periods beginning on or after 1 January 2016. The aim of this interim standard is to enhance the comparability of financial reporting by entities that are engaged in rate-regulated activities, whereby governments regulate the supply and pricing of particular types of activity. This can include utilities such as gas, electricity and water. Rate regulation can have a significant impact on the timing and amount of an entity's revenue. The IASB has a project to consider the broad issues of rate regulation and plans to publish a Discussion Paper on this subject in 2014. Pending the outcome of this comprehensive Rate-regulated Activities project, the IASB decided to develop IFRS 14 as an interim measure. IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard. The management of the Group is in the process of assessing the impact of this amendment on the Group's financial statements.

- **IAS 36 Impairment of Assets (Amended) – Recoverable Amount Disclosures for Non-Financial Assets**
  This amendment is effective for annual periods beginning on or after 1 January 2014. These amendments remove the unintended consequences of IFRS 13 on the disclosures required under IAS 36. In addition, these amendments require disclosure of the recoverable amounts for the assets or CGUs for which impairment loss has been recognised or reversed during the period.

3.2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- **IAS 39 Financial Instruments (Amended): Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting**
  This amendment is effective for annual periods beginning on or after 1 January 2014. Under the amendment there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided certain criteria are met. The IASB made a narrow-scope amendment to IAS 39 to permit the continuation of hedge accounting in certain circumstances in which the counterparty to a hedging instrument changes in order to achieve clearing for that instrument.

- **IAS 19 Defined Benefit Plans (Amended): Employee Contributions**
  The amendment is effective from 1 July 2014. The amendment applies to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The management of the Group is in the process of assessing the impact of this amendment on the Group's financial statements.

- **IFRIC Interpretation 21: Levies**
  The interpretation is effective for annual periods beginning on or after 1 January 2014. The Interpretations Committee was asked to consider how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements. This Interpretation is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triOGers the payment of the levy.

  The **IASB has issued the Annual Improvements to IFRSs 2010 – 2012 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 July 2014. These annual improvements have not yet been endorsed by the EU.

  - ***IFRS 2 Share-based Payment:*** This improvement amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition' (which were previously part of the definition of 'vesting condition').
  - ***IFRS 3 Business combinations:*** This improvement clarifies that contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of IFRS 9 Financial Instruments.
  - ***IFRS 8 Operating Segments:*** This improvement requires an entity to disclose the judgments made by management in applying the aOGregation criteria to operating segments and clarifies that an entity shall only provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are reported regularly.
  - ***IFRS 13 Fair Value Measurement:*** This improvement in the Basis of Conclusion of IFRS 13 clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial.
  - ***IAS 16 Property Plant & Equipment:*** The amendment clarifies that when an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.
  - ***IAS 24 Related Party Disclosures:*** The amendment clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.
  - ***IAS 38 Intangible Assets:*** The amendment clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

- The **IASB has issued the Annual Improvements to IFRSs 2011 – 2013 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 July 2014. These annual improvements have not yet been endorsed by the EU.

(All amounts in thousands of Euro, unless otherwise stated)

3.2. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- ***IFRS 3 Business Combinations:*** This improvement clarifies that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.
- ***IFRS 13 Fair Value Measurement:*** This improvement clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.
- ***IAS 40 Investment Properties:*** This improvement clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in IFRS 3 Business Combinations and investment property as defined in IAS 40 Investment Property requires the separate application of both standards independently of each other.

4. SEASONALITY OF OPERATIONS

The Company's operations are subject to seasonality due to the increased demand for electricity during the summer and winter months, a trend which is not reflected in its operating results as these are affected by external factors (fuel prices, hydrological conditions etc.).

5. INCOME TAXES (CURRENT AND DEFERRED)

	Group		Company	
	31.03.2014	**31.03.2013**	**31.03.2014**	**31.03.2013**
Current income taxes	1,358	8,034	803	298
Provision for additional taxes	26,596	-	19,258	-
Total income tax expense	**27,954**	**(4,298)**	**20,061**	**5,668**

Based on the provisions of L. 4110/2013 the tax rate for legal entities is set to 26% (formerly 20%) for income acquired from 01.01.2013 onwards and therefore companies of the Group that have their residence in Greece are subject to an income tax of 26%.
Tax returns are filed annually but profit or loss declared for tax purposes remain provisional until such time, as the tax authorities examine the returns and the records of the company and a final assessment is issued. The Group forms a provision when necessary, per case and per company, in anticipation of future taxes that might be imposed by the tax authorities.

Tax unaudited years for the Parent Company and the subsidiaries of the Group:

Company	**Country**	**Unaudited years since**
- PPC (Parent Company)	Greece	2009
- PPC Renewables S.A.	Greece	2010
- HEDNO	Greece	1999
- IPTO S.A	Greece	2007
- Arkadikos Ilios Ena S.A.	Greece	2007
- Arkadikos Ilios Dio S.A.	Greece	2007
- Iliako Velos Ena S.A.	Greece	2007
- Iliako Velos Dio S.A.	Greece	2007
- SOLARLAB S.A.	Greece	2007
- Iliaka Parka Ditikis Makedonias Ena S.A.	Greece	2007
- Iliaka Parka Ditikis Makedonias Dio S.A.	Greece	2007
- PPC FINANCE PLC	United Kingdom	-
- PPC QUANTUM ENERGY LTD	Cyprus	-
- PHOIBE ENERGIAKH S.A.	Greece	2007

(All amounts in thousands of Euro, unless otherwise stated)

5. INCOME TAXES (CURRENT AND DEFERRED) (continued)

As at 31.12.2013, the Parent Company recognized a deferred tax liability on the difference between the accounting and tax basis of the value of its investment in the subsidiary IPTO S.A., after Law 4237/2014 was voted on February 2, 2014 relating to the ownership unbundling of the subsidiary IPTO S.A. More precisely, the value of the investment in PPC's tax books amounts to Euro 38.444, while the respective value in the accounting books amounts to Euro 916.376. By applying on the difference of Euro 877.932 the current income tax rate of 26%, a differed tax liability of Euro 228.262 is derived.
Part of this surplus value arising in the tax books, of an amount of Euro 589.615, originates from the reserve of Law 2941/2001 relating to the spanned off Transmission segment which was transferred to IPTO S.A. in its capacity as a sole successor. In accordance to paragraph 3, case (6), of article 98 of Law 4001/2011, all tax or accounting transactions which were conducted by PPC and related to the segment and which relate to future benefits or liabilities, are transferred to IPTO S.A.
Consequently, upon the disposal of IPTO S.A. and the payment by the Parent Company of the respective income tax deriving from the difference between the sale consideration and the tax book value, the reserve of Law 2941/2001 (Euro 589.615) is considered as taxed and thus IPTO S.A. in its capacity as a sole successor of PPC S.A., is eligible to transfer this reserve to retained earnings and thus making it available for distribution without payment of any additional income taxes

6. INVESTMENTS IN SUBSIDIARIES

The Parent Company's subsidiaries are as follows:

	Company	
	31.03.2014	**31.12.2013**
IPTO S.A	916,376	916,376
HEDNO S.A.	56,982	56,982
PPC Renewables S.A.	135,899	135,899
PPC FINANCE PLC	-	-
PPC Quantum Energiaki Ltd	-	-
Total	**1,109,257**	**1,109,257**

The consolidated financial statements include the financial statements of PPC and its subsidiaries. The subsidiaries included in the consolidation are the following (full consolidation):

Name	**Ownership Interest**		**Country and Year of Incorporation and activity**	**Principal Activities**
	31.03.2014	**31.12.2013**		
PPC Renewables S.A.	100%	100%	Greece - 1998	RES
HEDNO	100%	100%	Greece - 1999	HEDN
IPTO	100%	100%	Greece - 2000	HETS
Arkadikos Ilios Ena S.A.	100%	100%	Greece - 2007	RES
Arkadikos Ilios Dio S.A.	100%	100%	Greece - 2007	RES
Iliako Velos Ena S.A.	100%	100%	Greece – 2007	RES
Iliako Velos Dio S.A.	100%	100%	Greece – 2007	RES
Solarlab S.A.	100%	100%	Greece – 2007	RES
Iliaka Parka Ditikis Makedonias Ena S.A.	100%	100%	Greece – 2007	RES
Iliaka Parka Ditikis Makedonias Dio S.A.	100%	100%	Greece – 2007	RES
PPC Finance PLC	100%	100%	UK - 2009	Financing Services
PPC Quantum Energy Ltd	51%	-	Cyprus	Engineering, construction and operation of a power plant
PHOIBE ENERGIAKI PHOTOVOLTAIKA S.A	100%	49%	Greece -2007*	RES

* The above mentioned company was acquired by the Group the 2nd quarter 2012. Until the 1st quarter 2012 it was consolidated by the associate company Good Works S.A.

7. INVESTMENTS IN ASSOCIATES

The Group and the Parent Company's associates on 31.03.2014 and 31.12.2013 are as follows (equity method):

(All amounts in thousands of Euro, unless otherwise stated)

7. INVESTMENTS IN ASSOCIATES (CONTINUED)

	Group		Company	
	31.03.2014	**31.12.2013**	**31.03.2014**	**31.12.2013**
Larco S.A.	-	-	-	-
PPC Renewables ROKAS S.A.	2,304	2,225	-	-
PPC Renewables TERNA Energiaki S.A.	1,901	1,988	-	-
PPC Renewables NANKO Energy – MYHE Gitani S.A.	2,422	2,264	-	-
PPC Renewables MEK Energiaki S.A.	2,510	1,936	-	-
PPC Renewables ELTEV AIFOROS S.A.	2,291	2,166	-	-
PPC Renewables EDF EN GREECE S.A.	10,642	10,925	-	-
Good Works S.A.	84	86	-	-
Aioliko Parko LOYKO S.A.	-	-	-	-
Aioliko Parko MBAMBO VIGLIES S.A.	-	-	-	-
Aioliko Parko KILIZA S.A.	-	-	-	-
Aioliko Parko LEFKIVARI S.A.	7	8	-	-
Aioliko Parko AGIOS ONOUFRIOS S.A.	2	2	-	-
Renewable Energy Applications LTD	28	27	-	-
WASTE SYCLO S.A.	49	-	162	49
	22,240	**21,627**	**162**	**49**

Data concerning the above mentioned associates as well as the Group's ownership interest in them , are as follows:

Name	Note	Ownership Interest 31.03.14	Ownership Interest 31.12.13	Country and year of Incorporation	Principal Activities
Larco S.A.		11.45%	11.45%	Greece – 1989	Metallurgical
PPC Renewables ROKAS S.A.		49.00%	49.00%	Greece - 2000	RES
PPC Renewables TERNA Energiaki S.A.		49.00%	49.00%	Greece – 2000	RES
PPC Renewables NANKO Energy – MYHE Gitani S.A.		49.00%	49.00%	Greece – 2000	RES
PPC Renewables MEK Energiaki S.A.		49.00%	49.00%	Greece - 2001	RES
PPC Renewables ELTEVAIFOROS S.A.		49.00%	49.00%	Greece – 2004	RES
PPC Renewables EDF EN GREECE S.A.		49.00%	49.00%	Greece – 2007	RES
EEN VOIOTIA S.A.	1	46.60%	46.60%	Greece – 2007	RES
Good Works S.A.		49.00%	49.00%	Greece – 2005	RES
Aioliko Parko LOYKO S.A.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko MAMBO BIGLIES S.A.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko KILIZA S.A.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko LEFKIVARI A.E.		49.00%	49.00%	Greece – 2008	RES
Aioliko Parko AGIOS ONOUFRIOS S.A.		49.00%	49.00%	Greece - 2008	RES
Renewable energy applications LTD		49.00%	49.00%	Cyprus - 2010	RES
Waste Syclo S.A.		49.00%	49.00%	Greece - 2011	Waste Management

1. It is consolidated from the associate company PPC Renewables EDF EN GREECE S.A. as it participates by 95% in its share capital.

(All amounts in thousands of Euro, unless otherwise stated)

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

PPC balances with its subsidiaries and its associates as of March 31, 2014 and December 31, 2013 are as follows:

	March 31, 2014		December 31, 2013	
	Receivable	(Payable)	Receivable	(Payable)
Subsidiaries				
- IPTO	-	(642,780)	-	(619,057)
- PPC Renewables S.A.	11,722	(827)	10,872	(827)
- HEDNO S.A.	-	(170,760)	-	(150,546)
- Arkadikos Ilios Ena S.A.	-	-	-	-
- Arkadikos Ilios Dio S.A.	-	-	-	-
	11,722	**(814,367)**	**10,872**	**(770,430)**
Associates				
PPC Renewables ROKAS S.A.	-	-	-	-
PPC Renewables TERNA Energiaki S.A.	-	-	-	-
PPC Renewables DIEKAT Energy S.A.	-	-	-	-
PPC Renewables MEK Energiaki S.A.	-	-	-	-
EEN VOIOTIA S.A.	-	-	-	-
LARCO (energy, lignite and ash)	212,319	(2,210)	197,854	-
WASTE SYCLO S.A.	150	-	150	-
	212,469	**(2,210)**	**198,004**	**-**

PPC's transactions with its subsidiaries and its associates are as follows:

	31.03.2014		31.03.2013	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
Subsidiaries				
- IPTO S.A.	4,313	(371,792)	2,984	(391,816)
- PPC Renewables S.A.	858	-	993	-
- HEDNO S.A.	203,193	(366,657)	110,431	(313,237)
- Arkadikos Ilios Ena S.A.	-	-	-	-
- Arkadikos Ilios Dio S.A.	-	-	-	-
	208,364	**(738,449)**	**114,408**	**(705,053)**
Associates				
PPC Renewables ROKAS S.A.	-	-	-	-
PPC Renewables TERNA Energiaki S.A.	-	-	-	-
PPC Renewables DIEKAT Energy S.A.	-	-	-	-
PPC Renewables MEK Energiaki S.A.	-	-	-	-
PPC Renewables ELTEV AEIFOROS S.A.	-	-	-	-
EEN VOIOTIA S.A.	-	-	-	-
Larco	21,776	(1,797)	20,391	(1,350)
	21,776	**(1,797)**	**20,391**	**(1,350)**

Guarantee in favor of the subsidiary PPC Renewables SA
As of 31.03.2014, the Parent Company has guaranteed total loans of Euro 8 mil., through account credit agreements. As of 31.03.2014 PPC Renewables S.A. has used € 428 mil.

Guarantee in favor of the subsidiary IPTO SA
As of 31.03.2014, the loans for the Parent Company's subsidiary, guaranteed by the Parent Company, amounted to Euro 325 mil. In addition the Board PPC's BoD decided to provide additional security € 12,1 million, which has not yet provided.

Procurement of lignite from LARCO S.A.:
On August 24, 2007 the Parent Company signed a contract for the procurement of lignite from LARCO S.A. for a total amount of 1.2 million tonnes (with a right to increase up to 15%) for a period of four years and a total amount of Euro 25.8 million. Given the fact that at the time of signing the contract LARCO S.A. had outstanding payables of an equal amount to PPC from the supply of electricity, payments for the procurement of lignite would be settled against the abovementioned receivable from LARCO S.A. PPC had made a provision for the abovementioned receivables, which was reversed in 2007, due to the fact that the collection of the amount was secured not only by the abovementioned contract, but also by a guarantee bond that LARCO S.A. raised in favour of PPC, covering the total duration of the contract and the total contractual amount.

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Taking under consideration the worth of lignite deliveries until July 2011 and the invoicing for August 2011 for the revised lignite prices for the deliveries of the period 01.01.2010 – 31.12.2010, the payment in full of LARCO's old debt, through the 2007 contract is considered to be completed by July 2011.
LARCO S.A. is liable for sums due and payable to PPC related to the consumption of electricity since December 2008. For all sums due to PPC for the period November 1, 2008 until April 30, 2009, an action has been filed by PPC before the competent Multimembered Court of Athens (for a sum of Euro 24.2 m.) whereas, for the sums due to PPC for the period May 2009 – October 2009 (for a total sum of Euro 18.8 m.) an action has been filed against the said Company, the hearing of the case having been set for November 14, 2013 and which was canceled.
In July 2010 PPC's Board of Directors approved an agreement for the settlement of new debts incurred by LARCO's electricity consumption for the period 1.11.2008 to 30.06.2010. The above mentioned framework agreement was already approved by LARCO's Board of Directors.
As foreseen in the above mentioned agreement, a new framework agreement for the settlement of LARCO's new debts will be conducted, part of which will be paid by concluding a new lignite procurement contract, following the pattern set by the existing one. As far as payment of the rest of the debt is concerned, LARCO will disburse predetermined amounts, on a monthly basis, based on the fluctuation of nickel's stock market price.
In addition with the aforementioned contract frame, LARCO is binded to pay in time the electricity bills for the consumption for the period following July1st, 2010.
The process of completing the contract for the settlement of new debts as well as the new contract for the procurement of lignite which depict the above mentioned framework agreement, was completed and approved by the Parent Company's Board of Directors in July 2011. It is noted that in view of the materialisation of the above mentioned contract for the settlement of new debts, LARCO has paid Euro 1 mil., in April 2011 and Euro 1 mil., in May 2011, and thus the final debt amounts to Euro 76.7mil. (principal not including interest).
The above mentioned contracts were signed on August 1st, 2011.
PPC's Board of Directors decided on March 12, 2012, to address a Judicial Reminder of debtor's default to LARKO in accordance with the provision of article 11 par. 12 of the existing Code for Supply for the payment of sums due from LARKO to PPC. In case of non-payment within 20 days' time as of service of the same to LARCO, PPC is to proceed with discontinuation of the supply of electricity to the respective customer. Furthermore, it was decided upon to file interim measures as against LARCO as well as an action due to debtor's default in payment before the competent Courts in order to safeguard the payment of sums due to PPC. PPC served on 16.3.2012 a Judicial Statement- Protest- Reminder of debtor's default and summoning to LARCO reserving all its rights.
PPC, after the relevant decision 100/10.04.2012 of its Board of Directors proceeded with the filing of an application of interim measures before the competent Court of Athens against LARCO for the provisory seizure of any and all of the movable assets as well as all the real estate property of LARCO, with the simultaneous filing of an application for an injunction and also, the filing of an action due to debtor's default in payment before the Multimembered Court of Athens. The case was heard on 20.11.2012. The Court issued its decision against PPC.

Following the aforesaid the Board of Directors of PPC by its Decision 200/28.9.2012 decided also to approve the termination of the contract between LARCO and PPC for the provision of energy after prior notice of 20 days' time for the payments by LARCO to PPC of any and all sums overdue.
On 29.10.2012 an action was filed by PPC against LARCO before the Multimembered Athens Court Of First Instance for the payment of all outstanding debts of LARCO to PPC amounting to the sum of Euro 72,058,436.10 for the sums due to energy supply to LARCO for the period of October 2011 to August 2012. The hearing of the said case has been set for 21.5.2015.
Furthermore, on November 9, 2012 PPC served to LARCO a Judicial Reminder of debtor's default for the payment of sums due from LARCO to PPC within 20 days' time as of service of the Judicial Reminder, stating that in all other cases, PPC will proceed with discontinuation of the supply of electricity to the respective customer .

On 18.10.2012 RAE's Decision 822/10.10.2012 was served to PPC (after the filing by LARCO of its RAE- I-153708/22.03.2012 Application – Complaint) in accordance to which, RAE ruled the application of the following interim measures in favour of LARCO with the form of a price for the supply of electricity for LARCO which was temporarily fixed at 50 Euro/ MWh, plus fees for PSOs, Renewables and for the use of the Transmission System, plus other taxes and charges for a period of three (3) months from the issuance of the same Decision (that is until 09.01.2013).

(All amounts in thousands of Euro, unless otherwise stated)

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Following that, LARCO has asked for the extension of the above mentioned interim measures, but RAE rejected that claim by its Decision 28/2013. After that PPC's management has sent a letter to LARCO (dated 10.05.2013) with which has asked LARCO to settle its debts to PPC, or else PPC will proceed with the discontinuation of the supply. Despite the exchange of letters that followed however, LARCO did not act towards the settlement of its non-settled debts towards PPC .
On June 5, 2013 and following the Decision Nr 200/28.9.2013 of PPC BoD, PPC sent to LARCO and ADMHE its extrajudicial statement (dated 04.06.2013) by which PPC reserved its right to denounce the contract as between LARCO and PPC and by which PPC also declared that it would stop representing the meters of LARCO within a period of ten (10) days as of the date thereof, unless LARCO fulfils its obligations to PPC.

Following that LARCO filed an action as against PPC seeking injunctive relief as well as a judicial order before the Single Membered First Court of Lamia, which issued the 473/2013 decision, by which it rejected all relevant claims and petitions of LARCO as well as of the intervening third parties.
This Decision was served to LARCO, IPTO and RAE on 19.09.2013.

LARCO, following the signing of the contract for the settlement of its new debts does not pay in full the amounts for its current electricity bills, thus resulting to its total debt on March 31, 2014 (including consumptions up to February 2014) amounted to Euro 204.5 mil. (Including debt by the current consumption of Euro 159.1 mil. and residual debt by 01.08.2011 settled amount of Euro 45.4 mil.) plus interest (31.12.2013 Euro 191.2 mil.)
For the abovementioned PPC has made adequate provisions.

Transactions and balances with other government owned entities
The following table presents purchases and balances with government owned entities Hellenic Petroleum ("ELPE") and National Gas Company ("DEPA"), which are PPC's liquid fuel and natural gas suppliers, respectively and into which the Hellenic Republic participates.

	Purchases		Balance	
	31.03.2014	31.03.2013	31.03.2014	31.12.2013
ELPE, purchases of liquid fuel	28,843	36,117	10,013	10,222
DEPA, purchases of natural gas	78,626	45,190	27,750	75,519
	107,469	**81,307**	**35,763**	**85,741**

	March 31, 2014		December 31, 2013	
	Receivable	(Payable)	Receivable	(Payable)
EMO S.A.	59,844	(47,079)	478,585	(478,615)

	31.03.2014		31.03.2013	
	Invoiced to	Invoiced from	Invoiced to	Invoiced from
EMO S.A.	41,648	(208,355)	39,167	(155,252)

Further to the above, PPC enters into transactions with many government owned or nonprofit oriented entities within its normal course of business (sale of electricity, services received, etc.). All transactions with government owned entities are performed at arm's length terms.

(All amounts in thousands of Euro, unless otherwise stated)

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Management compensation
Fees concerning management members (Board of Directors and General Managers) for the three month period ended March 31, 2014 and 2013 have as follows:

	GROUP		COMPANY	
	31.03.2014	**31.03.2013**	**31.03.2014**	**31.03.2013**
Compensation of members of the Board of Directors				
- Executive members of the Board of Directors	42	40	14	14
- Non-executive members of the Board of Directors	51	57	26	31
- Compensation / Extra fees	29	25	-	-
-- Contribution to defined contribution plans	18	12	-	-
- Other Benefits	1	1	1	1
	141	**135**	**41**	**46**
Compensation of Deputy Managing Directors and General Managers				
- Regular compensation	171	137	157	123
- Contribution to defined contribution plans	59	41	54	36
- Compensation / Extra fees	-	-	-	-
	230	**178**	**211**	**159**
Total	**371**	**313**	**252**	**205**

Compensation to members of the Board of Directors does not include standard payroll, paid to representatives of employees that participate in the Parent Company's Board of Directors. Also, it does not include the electricity benefit based on the PPC personnel invoice to the Board of Director members, the Deputy Managing Directors and the General Managers.
Based on L. 4110/2013 the above mentioned compensation to members of the Board of Directors by the year 2013 will be subject to an income tax of 40% instead of the 35% which was in effect until 31.12.2012.

9. INTEREST BEARING LOANS AND BORROWINGS

During the first quarter of 2014, the Group proceeded to debt repayment amounting to € 38 mil.
In the period January 2014 – March 2014, PPC received a € 96.1 million partial disbursement, from the € 739 million bond loan, for the partial financing of the construction costs of the new lignite – powered unit "PTOLEMAIDA V", contracted with a syndication of foreign banks and supported by the German Credit Insurance Organization Euler Hermes.
In March 2014 the first contract of € 235 million was signed, part of the € 415 million credit line approved by EIB, for investments and upgrades in the Hellenic Electricity Distribution Network of the mainland and the islands for the period 2013 - 2015.

10. RECLASSIFICATIONS

On March 31, 2014 the Group and the Parent Company have proceeded to the reclassification of comparative items of the statement of income, as follows:

	Group		
	01.01.-31.03.2013 Published	**Reclassification effect**	**01.01.-31.03.2013 reclassified**
Energy purchases	412,274	21,675	433,949
Transmission system usage	21,644	(21,644)	-
Other (income)/expense	72,893	(31)	72,862

(All amounts in thousands of Euro, unless otherwise stated)

10. RECLASSIFICATIONS (CONTINUED)

	Company		
	01.01.-31.03.2013 Published	**Reclassification effect**	**01.01.-31.03.2013 reclassified**
Energy purchases	416,585	22,854	439,439
Transmission system usage	78,576	(21,644)	56,932
Other (income)/expense	31,922	(1,210)	30,712

All the above mentioned reclassified items had no impact in the Group and the Parent Company's Equity or Income Statement.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION

11.1. OWNERSHIP OF PROPERTY

Major matters relating to the ownership of the Group's assets, are as follows:

1. The Parent Company has completed the registration of its property through a fixed assets registry. These assets (almost entirely) are registered at the relevant land registries over the country and the cadastral application is monitored. The update of the existent in the company new integrated information system for fixed assets management is in progress.
2. In a number of cases, expropriated land, as presented in the expropriation statements, differs (in quantitative terms), with what the Parent Company considers as its property.
3. Agricultural land acquired by the Parent Company through expropriation in order to be used for the construction of hydroelectric power plants, will be transferred to the State at no charge, following a decision of The Parent Company's Board of Directors and a related approval by the Ministry of Development, if such land is no longer needed by the Parent Company for the fulfilment of its purposes.

The property, plant and equipment of the Group are located all over Greece. Currently, the Group does not carry any form of insurance coverage on its property, plant and equipment, except for its information technology equipment, resulting to the fact that if a sizable damage is incurred to its property, might affect its profitability. Materials, spare parts as well as liabilities against third parties are not insured. The Group is currently evaluating the possibility – in the newly formed legal framework, to conduct a tender for the selection of an insurance company to cover for its assets as well as liabilities against third parties.

11.2. LITIGATION AND CLAIMS

The Group is a defendant in several legal proceedings arising from its operations. The total amount claimed as at March 31, 2014 amounts to Euro 2,347 m. as further detailed below:

1. **Cl*aims with contractors, suppliers and other claims:*** A number of contractors and suppliers have raised claims against the Company.
   These claims are either pending before courts or under arbitration and mediation proceedings. The total amount involved is Euro 490 m. In most cases the Group has raised counter claims, which are not reflected in the accounting records until the time of collection.
2. ***Fire incidents and floods*:** A number of individuals have raised claims against the Company for damages incurred as a result of alleged electricity-generated fires and floods. The total amount involved is Euro 36 m and Euro 2 m, respectively.
3. ***Claims by employees:*** Employees are claiming the amount of Euro 187 m, for allowances and other benefits that according to the employees should have been paid by PPC.
4. ***Litigation with PPC Personnel Insurance Organization (PPC-PIO) (in Greek it is "OAP-DEI" i.e. PPC's Social Security Fund):*** Until March 31, 2014, the PPC Personnel Insurance Organization (former "PPC PIO", TAYTEKO/IKA at present) had filed, before the courts, seven (7) lawsuits against PPC, claiming an amount in total of Euro 87,704 and, aiming to: (a) obtain the ownership of a building sold by PPC in 1999 for an amount of Euro 13,294, (b) obtain the ownership of certain properties owned by PPC and collect the rents earned by PPC over a specified period of time, for an amount of Euro 6,962 (three actions), these cases will be resolved with the decision of the Plenary Session of the Supreme Court for one of these actions, (c) obtain the ownership of a building, of estimated value of Euro 8,000, (d) be compensated for securities and shares which became property of PPC, and part of which has been sold, as well as for related dividends collected by PPC for a total amount of Euro 59,393 and (e) to oblige PPC to render detailed accounts concerning management of bonds that PPC kept on behalf of PPC – PIO' of an amount of Euro 55.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The aforementioned cases are strongly expected to be resolved in favor of PPC pursuant to the recently issued Decision No 13/2010 of the Plenary Session of the Supreme Court regarding the (a) case, according to which invalidates the 2007 Decision of the Court of Appeal, that had originally accepted PIOs' action against PPC.
Under Judgment by the Supreme Court No. 13/2010, the Court reached inter alia the decision that the prohibition of conveyance or any kind of freezing or change of Insurance Fund´s "Insurance Fund of Personnel" (IFP / ΤΑΠ ΗΕΑΠ-ΕΗΕ) assets, provided for under art.5 par.3 Law No. 163/1975, extends from the application (20.09.1975) of Law No 163/1975 until the repeal of the above mentioned Insurance Fund (taken place on 31.5.1985) and does not extend to time subsequent of the repeal, when PPC would become the assets holder under art.5 par.1 Law No. 163/1975, PPC remains the asset holder also for the establishment of PPC/PIO according to Law No 2773/1999, as in force.
The abovementioned Decision of the Plenary Session remitted the case to the Court of Appeal for the typical final resolution of the said dispute. The aforementioned Decision creates a precedent in relation to all other abovementioned pending cases (b) to (e) and therefore the established provision on December 31, 2009 was reversed within 2010 fiscal year.

5. ***General Federation of PPC Personnel (GENOP DEI/KHE) and Panhellenic Federation of Retirees' (POS DEI) lawsuit against PPC***
GENOP DEI/KHE and POS DEI have filed a lawsuit against PPC in the Multimember Court of First Instance in Athens. By the above mentioned lawsuit they pursue that PPC will be obliged to pay to third parties, who are not litigants, in particular the insurance funds of IKA – ETAM and TAYTEKO the amount of Euro 634.8 mil. plus interest, for the coverage of the resource, which according to the lawsuit, the State did not pay to the above mentioned insurance funds for the years 2010 and 2011. The lawsuit is scheduled to be heard in the Multimember Court of First Instance in Athens on September 18th, 2014. In view of the fact that the above mentioned lawsuit is based on admissions which are in contrast with the provisions of Decision 13/2010 of the Supreme Court and Decision 668/2012 of the Athens Court of Appeals, the Parent Company considers that the possibilities of a positive outcome for the lawsuit in question are minimal and therefore, has not formed a provision.

6. ***PPC's lawsuit against ETAA (former TSMEDE)***
ETAA (former TSMEDE) by its Decision 7/2012 has imposed on PPC the amount of Euro 27.4mil. in application of article 4 of L. 3518/2006, as employer contributions due to the Main pension Branch for the period 01.01.2007 – 30.04.2012 and pertain to the engineers insured before 01.01.1993 to the above mentioned Insurance Fund, that have been employed by PPC for the above mentioned period.
Against the above mentioned 7/2012 decision of the Insurance Fund in question, PPC has filed the 05.09.2012 appeal to the Athens Administrative Court of First Instance. The date for the discussion of the appeal has been defined by the court for discussion on 02.06.2014.
Since its employees – who are engineers- are insured mandatorily to PPC's Insurance Fund based on L. 4491/1966, thus resulting to PPC paying on their behalf to the above mentioned Insurance Fund the corresponding employer contributions while insurance for the above mentioned engineers in ETAA is optional and is done by choice, with them paying the corresponding insurance contributions provided for engineers that are independently employed, the Parent Company considers that the possibilities of a negative outcome of its appeal are minimal and therefore has not established a provision.

7. ***Lawsuits against PPC – HEDNO***
The companies "CANTOR" (former "ENERGA") and "NEW APPLICATION" (former "HELLAS POWER") have filed lawsuits against PPC by which they claim amounts of Euro 520.8 mil. and Euro 361.3 mil., respectively. By the review of the documents and the assessment of the individual amounts reported in them, it is accrued that the lawsuits in question contain many undetermined amounts which are deemed, legally or otherwise, unfounded. Thus the above mentioned lawsuits have little chance of success. For that reason, a provision has not been formed.

For the above amounts the Group and the Parent Company have established adequate provisions, which as at March 31, 2014 amounted approximately to Euro 151 m. and 73 m., respectively (2013: 169 m. for the Group and 83 m. for the Parent Company).

PPC's relation to its personnel's Social Security Funds
Despite the fact that under the current legislation the Group does not have any obligation to cover in the future any deficit whatsoever between income and expenses (deficit) to PPC's personnel Social Security Funds, there can be no assurance that this regime will not change in the future.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

"Alouminion of Greece" (ALOUMINION)

A. There is a pending action of ALOUMINION against PPC, claiming the continuation of the initial Contract of 1960 status between the two parties. The hearing of the action has been cancelled. There also are actions of PPC against ALOUMINION in the Multimember Court of Athens, regarding to the differences in tariffs for the period 2008-2009, (Euro 4.3 mil. approximately, Euro 48.9 mil. approximately, plus an amount of Euro 414 for interest). The hearing of these actions was also cancelled in view of the provisions of the 04/08/2010 Framework Agreement between the parties (see below).

B. In August 2010, PPC's Board of Directors by its Decision 177/03.08.2010 approved a framework agreement, which pertained to the out of court settlement of the differences between PPC S.A. and ALOUMINION SA. The abovementioned framework agreement has been accepted by ALOUMINION SA and was the basis that the two counterparties agreed to use in order to proceed to the signing of the new contract of electricity supply.
According to the Framework Agreement, the following would have been in force until 31/12/2013:
   1. PPC S.A. would supply electricity to ALOUMINION S.A. for the hours that are within the off peak demand zone, including Saturdays, Sundays and holidays, at a charge of € 40.70/MWh, corresponding to the A 150 tariff, as it was valid at 30.06.2008 plus 10% increase.
   2. ALOUMINION SA would cover its electricity needs for the remaining 4.050 hours annually as self-supplied from the Pool, otherwise and until it would be possible, to be charged with the monthly average System Marginal Price (plus other charges required by law).

In addition, the remaining debt for the electricity consumption for the period 01.07.08 – 30.06.10, was determined after compromise at the amount Euro 82.6mil.
Since then, ALOUMINION abided in part to the agreed Framework Agreement, but has not proceeded with signing it. Following that, with an arbitration agreement that was signed between PPC and ALOUMINION, it was agreed to recourse to the Arbitration of RAE (Article 37 of Law 4001/2011). In particular, the parties have agreed that the arbitration court would update and adapt the tariff terms which were included in the drawn up, to be realized between the parties, draft agreement, which was drafted on 05.10.2010

C. In March 16, 2012 ALOUMINION submitted to RAE a complaint seeking, inter alia, that RAE judged "that negotiations between ALOUMINION and PPC have been unsuccessful" and that specific regulatory measures as well as the necessary provisional measures should be imposed on PPC. On 16.5.2012, RAE served to PPC its Decision 346/2012, temporarily setting the price for the supply of electricity to ALUMINIUM at 42 Euro/ MWh plus the anticipated charges for PSOs, RES tax, use of the Transmission System, and other taxes, until the issuing of the Decision of the competent Court of Arbitration.
Given that RAE, by its abovementioned Decision, accepted almost all pleas made before it by ALOUMINION, resulting in PPC being under the obligation, until the final outcome of the case, to supply electricity to ALOUMINION below its cost, PPC, following its BoD's decision, has filed legal actions before the Athens Administrative Court of Appeals, and the European Commission. The hearing of the above mentioned PPC's appeals was initially set on the 26.9.2013, during which was adjourned for the 16.01.2014, when the hearing took place. Since then, the decision is pending.
Furthermore in July 2012, PPC had filed before the competent Department of the European Commission a complaint according to article 107/EC concerning the provision of illegal state aid to ALOUMINION. In late 2013, the European Commission informed PPC that was under no intention to further examine the case, as it was of temporary nature.

D. On 31.10.2013 the Arbitration Court of RAE issued, by a 2 to 1 majority, Decision No. D1/1/2013, fixing the price for the supply of electricity to ALOUMINION S.A. at Euro 40,7/MWh for the period 01.07.2010 until 31.12.2013. According to the Arbitration Decision, both fixed and variable energy costs are included in the price, as well as System Use Charges, Ancillary Services Charges, Services of General Interest, and state fees in behalf of RAE and HTSO/EMO, although Renewable Energy/Gaseous Pollutants special fees, Special Electricity Tax, DETE and other taxes imposed are not included. The burden on the financial results of the third quarter of 2013 imposed by the as per above Decision, as far as the supply of electricity to ALOUMINION is concerned, for the period 1.7.2010 until 30.9.2013 amounted to € 105.5 mill.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

As the as per above Decision compels PPC to sell at a loss, under its cost, PPC filed an action for invalidity against it, which is scheduled to be heard on 4.12.2014, and, in addition, submitted a complaint for state aid before the European Commission (December 2013).

E. The Board of Directors of PPC sent to IPTO an out of court Declaration of lifting the representation of ALOUMINION meters as well as a notice of termination of the contractual relationship with ALOUMINION, valid as of 18 November 2013, and following a later out of court letter for the implementation of the termination within a reasonable time, not later than 31.12.2013. Following that, ALOUMINION submitted a complaint before the Hellenic Competition Commission, which is still pending.

F. Given that the Arbitration Decision does not rule for the time period after 31.12.2013, the BoD decided to enter into negotiations with ALOUMINION in accordance the existing regulatory regime, with a view to reach an agreement regarding the tariff for the supply of electricity to ALOUMINION after 01.01.2014. PPC has sent several proposals to ALOUMINION and there has been a correspondence between the two parties. Given the importance (direct and indirect) of the conclusion of the negotiation for a tariff price for the supply of energy regarding ALOUMINION, PPC's BoD decided on 07.01.2014 to submit for approval all actions taken by 31.12.2013, to the Extraordinary General Meeting of the Shareholders of the Company to be convened on 31.1.2014. The General Meeting was postponed for the 28th February 2014 on which date the General Meeting decided and approved all actions of the PPC Management regarding the relations of PPC with ALUMINIUM. In addition the General Assembly as well as after relevant proposal by the Hellenic Republic as PPC's main shareholder and given, in accordance with the Minutes of this General Meeting, the extraordinary financial circumstances prevailing at present decided the following : a) for High Voltage companies, an extraordinary reduction of 10% on the approved PPC tariffs for said category of customers, for 1+1 year as of 1.1.2014. b) Furthermore, for all High Voltage companies with annual consumption exceeding 1,000 GWH a further volume discount of 10% on the above reduction and c) as an incentive for increasing consumption during the zone of minimum consumption (nights and weekends) an additional reduction of 25% on the A4 tariff to all High Voltage companies, except those whose consumption exceeds 1,000 GWH, for operation during the aforementioned zone. Both parties (PPC and ALOUMINION) are in discussions in order to reach an agreement for the signing of a contract for the supply of electricity, taking into consideration the shareholder's general meeting decisions.

G. The amount due by the State aid :
On 27.07.2011 PPC received notification of the Decision No. E (2011) 4916/13.07.2011 of the European Commission, following an investigation on the existence of state aid (C2/2010) in favor of ALOUMINION of Greece and its successor ALOUMINION, addressed to the Hellenic Republic, according to which, the Commission decided that state aid amounting to Euro 17.4 mil. was granted in favor of ALOUMINION of Greece. According to this Decision, the Hellenic Republic should have ensured the recovery of the state aid's amount within four months from the date of the notification of the Decision. According to the Decision, the state aid was granted in the form of reduced electricity tariffs, available to ALOUMINION of Greece from PPC for the time period from January 2007 up to March 2008. The above mentioned aid, according to the Commission's Decision should be refunded to PPC SA plus statutory interest in accordance with the law on state aid. PPC SA has already sent to ALOUMINION SA an out-of-court declaration-invitation-notice without prejudice to its rights which was served upon ALOUMINION SA on October 18, 2011, (also notified to the Minister of Environment, Energy and Climate Change, the Minister of Finance and RAE), by which ALOUMINION SA was asked to pay to PPC SA in order to implement the above Commission' s decision, the amount of Euro 21.6 mil., the latest by November 2, 2011, plus the amount of Euro 2.6 per day from the date of service until November 2, 2011. In light of the fact that ALOUMINION has not paid the above mentioned amount, PPC has proceeded with legal actions against ALOUMINION.
In particular, following PPC's petition, the Athens Court of First Instance has issued a Payment Order N. 13601/04.07.2012 for ALOUMINION to pay to PPC the amount of the state aid of Euro 17,375,849.48, plus interest amounting to Euro 3,041,126.93 plus interest of Euro 1,696.22 on the total amount of the illegal state aid and the compounded interest, for each passing day. The payment order was served to ALOUMINION on July 9, 2012.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Subsequently, ALOUMINION filed on 11.07.2012 an appeal concerning the Payment Order with an additional request for the temporary suspension of its execution (article 632, para 3, of the Code of Civil Procedure). This request was granted until the date of the hearing, which was realized on January 23, 2013. The as per above Court issued Decisions No. 857/2013 and Decision No. 860/2013. The Court by its first Decision suspended the implementation of the payment order until the issuance of the final decision on the suspension by the national court. The Court by its second decision (860/2013) on the suspension decided to order the suspension of the discussion of the difference of the suspension until the issuance of a Decision on the existence of the claim of the state aid by the General Court of the European Commission, which is pending after the relevant (by 06.10.2011) recourse by ALOUMINION against the above mentioned Decision (by 13.07.2011) of the European Commission.

PPC filed a summons before the Single Membered Court (dated 03.07.2013), by which PPC asked the Court to hold a hearing and review its non-definitive Decision nr 860/2013. PPC, also filed a summons before the same Court to hold a hearing and review its aforementioned non-definitive Decision nr 857/2013, regarding the issuing by the same Court, of a writ for the suspension of enforcement. The case trial has been set for the hearing on September 25, 2013. The Hellenic Republic (represented by the Minister of Finance and the Minister of Environment Energy and Climate Change), was invited to file third party intervention proceedings, before the same Court, in favor of PPC as per the above referred hearings. The Court issued the Decisions No. 723/2014 and 724/2014 which recalled the Decisions of the same Court No. 857/2013 and 860/2013, respectively and validated the payment order No. 13601/2012. The above Decisions and the payment order along with a check to order for the payment of the amount of Euro 20.563.831,33 plus statutory interest were served to ALOUMINION on 25.2.2014.

Following the above actions, PPC, on 31.3.2014 proceeded to seize on a third party (against ALUMINION) to Banks, as well as EMO (LAGIE) and IPTO up to the amount of its claim. ALOUMINION, on 24.3.2014 filed an appeal against decisions 860/2013 and 724/2014 of the Court of First Instance, the date of hearing set for 16.10.2014 on the Court of Appeals, asking, among others, for the suspension of the execution of the payment order until the hearing of its appeal. On 31.3.2014, after the discussion in front of the President of the Court of Appeals, the request for the suspension of the payment order was rejected.

After the abovementioned Court decision, ALOUMINION proposed to PPC to pay the amount of the state aid partly through a check deposit and the remaining amount to be paid through the concession to PPC of ALOUMINION's past due claims against EMO and the (simultaneous) netting off of PPC's past due obligations towards EMO, in order for the recovery of the state aid's amount to take place in a shorter time frame than that required through the seizure process. The parties (PPC and ALOUMINION), following the relevant decisions of both their Management, proceeded on 3.4.2014 to signing a contract of "monetary claims concession and monetary payment for the recovery of state aid". The said contract was also signed, as a contracting third party, by the company "MYTILINEOS S.A. – GOUP OF COMPANIES". Subsequently, for the enforcement of the above mentioned contract, on April 2014, the amount of €21.276.766,43 was received, including both the amount of the recovered state aid as well as the respective interest amount for the time period up to 4.4.2014. PPC informed the Ministry of Finance as well as the competent Ministries of Foreign Affairs and Environment – Energy and Climate Change for the recovery of the state aid.

As already mentioned, there is a pending recourse by ALOUMINION (by 06.10.2011) on the General Court of the EU against the above mentioned Decision (by 13.07.2011) of the European Commission concerning the state aid case. PPC exercised a third party intervention in favor of the European Commission and the hearing is set for 4.6.2014. In case the Court rules in favor of ALOUMINION, an outcome PPC considers less likely, the amount of the recovered state aid will be reimbursed to ALOUMINION.

H. On 25.02.2014 the Greek Ministry of Foreign Affairs notified to PPC of the Complaint dated 12.02.2014 (in accordance with article 108 par 2 of Treaty on the Functioning of the European Union (TFEU) by the European Commission before the Court of the European Communities against the Hellenic Republic, for the non- timely recovery of the unlawful state aid granted to ALOUMINIUM as provided by the above-mentioned Decision of 13.07.2011 of the European Commission and thus for non-compliance with the obligations deriving from the TFEU. PPC notified the Ministry of Foreign Affairs regarding the relevant actions for the recovery of the state aid amount.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

I. On 26.02.2014 ALOUMINION served to PPC an appeal before the Athens Administrative Court of Appeals regarding the Special Consumption Tax that was charged to ALOUMINION on its electricity supply bills of December 2013 and January 2014 (dispute relating to the partial annulment of these bills respectively).

J. Finally, the total debt of ALOUMINION to PPC, on 31.3.2014, amounted to € 63.9 mil (€ 17.4 mil. according to EC's Decision for the illegal state aid, € 16.6 mil. being the residual after compromise debt and € 29,9 mil. for the consumption bill up to February 2014) plus interest.

Old Bank of Crete

The dispute with the old "Bank of Crete" is dating back to 1989, when the bank was under liquidation. More precisely, by a mandatory action of the then trustee of the Bank, the claims of PPC were obliged to be converted to stake-holding in the share capital of the Bank and to obligatory credit to the Bank. PPC by its July 22, 1991 lawsuit against the bank asked to be compensated for GRD 2.2 billion approximately, (Euro 6.5 mil.) for the reason that the above mentioned Act of the trustee of the Bank was held invalid.

Moreover, PPC has received from the Bank, six (6) loan agreements for which it was agreed upon to be repaid gradually. On June 10, 1991, although PPC has paid the overdue installments, the Bank has terminated all the above mentioned loan agreements and thus on that date the claim against PPC became overdue for the whole amount of the loans.

For that reason, against PPC's above mentioned lawsuit, the Bank has proposed an offset of its claim resulting by the above mentioned loans, amounting to GRD 4 bil. approximately and furthermore has asked the payment of this amount by PPC by its lawsuit dated 28.12.1995. The Court of First Instance has postponed the hearing of the Bank's lawsuit against PPC until the final outcome of the hearing, which started with PPC's lawsuit against the Bank.

The action was rejected by the Multimember Court of Athens and PPC appealed against the said Decision of the Court which was also rejected by the Athens Appeal Court.

The above mentioned decision was brought to review by PPC before the Supreme Court, which accepted it and in consequence the case was again brought to trial before the Court of Appeals, which held that an expert report should take place. After the said expert report the Court's decision was held partially in PPC's favor.

However, a petition for review before the Supreme Court was filed against the aforementioned Decision which was then accepted by the Supreme Court and then was resubmitted to the Court of Appeals which by its inconclusive decision (Nr 4093/2009) ordered the completion of the expert report.

The official expert report was completed at the end of May 2012 and concluded that: a).The amount due by the Bank of Crete to PPC at the date of the filing of the a.m. action by PPC (July 22, 1991) was 1,254,706,688 Greek Drachmae, b). The amount due by PPC to the Bank of Crete on 1st of July 1991 due to the termination by the Bank of the a.m. loan agreements was 2,532,936,698 Greek Drachmae.

Following that, the hearing of the case would take place on October 25, 2012, but it was postponed for September 26, 2013, due to the strike of both judges and lawyers. The case was heard on the abovementioned date and the issuance of the decision is expected. Furthermore, the following should be noted:

In case PPC's action against the Bank of Crete is accepted, no amount will be adjudged in favor of PPC and also the action the Bank will be rejected.

In case PPC's action against the Bank of Crete is rejected, no amount will be adjudged in favor of PPC, also the Bank's action will be accepted (an amount up to GRD 1.278.000.000 will be adjudged plus legal interest).

Complaint against the European Commission's Decision regarding lignite extraction rights

On May 13th, 2008, PPC filed before the General Court of the European Union (General Court), an application for annulment of the Commission's decision of March 5, 2008 regarding the granting by the Hellenic Republic of lignite extraction rights.

The Greek State has intervened before the aforementioned Court in favour of PPC, while two undertaking companies – competitors of PPC – have intervened in favour of the European Commission. Furthermore, on August 4, 2009, the European Commission issued a decision (which was notified to PPC on August 7, 2009), in which the measures for the compliance with the decision of March 5, 2008 were defined as obligatory for the Hellenic Republic.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The Commission's Decision defined as obligatory for the Hellenic Republic the launching of public tender procedures for the concession of lignite rights for the mines of Drama, Ellassona, Vevi and Vegora to third parties excluding PPC, with the exception of those cases where there are no other valid and binding offers.
The Hellenic Republic was also obliged to assure that the third parties that would be awarded the relevant extraction rights would not sell to PPC the extracted lignite from the specific mines with the exception of those cases where there would be no other valid and binding offers.
PPC submitted an application for annulment of the said decisions of the Commission before the CFI of the European Communities. Furthermore, the Hellenic Republic has intervened before the CFI in the said proceedings, in favour of PPC. The hearing of the cases took place before the General Court on February 2, 2012. The General Court of the European Union on 20.9.2012 issued decisions for both cases.

In particular, as far as case **T-169/08** is concerned, the Court has ruled the following:

- State measures, which were in effect prior to the liberalization of the energy market, are preserved and continue to affect the lignite supply market, although PPC is not responsible for other businessmen failing to gain access to lignite reserves.
- PPC's part in the lignite's supply market was limited to the exploitation of reserves for which extraction rights were granted.
- The Commission did not support that PPC exploited its dominant position in the above mentioned market.
- The Commission did not prove that the advantageous access to lignite was capable of creating a situation, in which PPC, simply by exercising its lignite extraction rights would abuse its dominant position in the energy wholesale supply market or could be led to such abusive conduct.
  The Commission by simply noting that PPC still has a dominant position does not define or adequately prove the abuse.
- It is not clear, that PPC is in an advantageous position opposite its competitors, in consequence of a state measure which constitutes an abuse of dominant position.
- It is not clear that, in order to admit the existence of a violation of article 86, para. 1 EC combined with article 82 EC, is adequate, in order to prove that a state measure falsifies competition by creating a situation of inequality of opportunities, between businesses without demanding definition of abuse of dominant position.

As far as case **T-421/09** is concerned the Court has annulled as obsolete the above mentioned Commission's Decision C(2009) 6244 (final) of August 4, 2009 ,following the annulment of the Commission's decision of March 5, 2008, given that, it pertained to the executive part of the violation ascertained in the decision of March 5, 2008.
The Commission appealed for the revision of the relevant decisions before the General Court of the European Union before the European Court of Justice (Cases C-553/12 and C-554/12). The abovementioned appeals have been notified to PPC on December 19, 2012.
On March 25, 2013 the companies "MYTILINEOS S.A – GROUP OF COMPANIES", "PROTERGIA S.A." and "ALOUMINION S.A." filed before the European Union Court, an intervention petition in favor of the European Union and against PPC, for the annulment of the above mentioned Decision of the Court of September 20th, 2012. The hearing of the case took place on October 3, 2013 and the relevant decision of the Court, of the intervention, is expected.

Alleged claims of EMO (LAGIE), against PPC S.A.

- **Implementation of methodology for the payments allocation due to deficits of the Day Ahead Schedule (DAS)**
  It is noted that following the issuance of RAE's Decision 285/2013, EMO sent a letter to PPC, according to which an amount of Euro 96.6 million is seemingly allocated to PPC, based on the finalization of the methodology for fair allocation of payments to cover deficits in the Day Ahead Schedule (DAS) created by third party suppliers during 2011 and 2012. In continuation to this letter, EMO allocated the total amount of Euro 96.6 mil. in seven installments starting by August 2013 sent to PPC the relating briefing notes amounting to Euro 13.8 mil., each. PPC considers that EMO's alleged claim violates fundamental principles of law, while simultaneously neither the amount nor the reasons for this claim are substantiated. In addition, the relevant RAE Decision has been contested in court.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

In particular, PPC has already filed an application for annulment of RAE's Decision 285/2013, before the Council of State, as well as, an action for suspension of such Decision, until a final judgment is issued by the Council of State. The hearing for the application for the annulment took place on March 18, 2014, and the decision is pending. In the meantime, the Council of State has issued an interim Decision (n. 62/2014), which suspended the payment of 50% of the amount of Euro 96.6 mil., which is attributable to PPC. Since PPC believes, that it has grounds for a favorable decision, has not proceeded with a relevant provision for the amount of € 96.6 mil. However, as payments will be effected for the 50% portion for the amount of 96.6 mil. equal amounts of provision will be formed, due to the uncertainty of recovering these payments.

- **Offsets of Photovoltaic Systems Producers in buildings**
  Moreover, the above mentioned Decision 285/2013 of RAE which does not permit the netting of amounts that PPC owes to LAGIE based on DAS settlement, including energy generated by PVs on rooftops, with the amounts that PPC is contractually obliged to pay directly to the generators in question, based on the feed - in tariff, leads to delays in recovering the latter amounts from LAGIE.
  Non implementation of an offset does not impact the results but will have a negative effect on our cash flows, due to the increased working capital needs, since PPC is obliged to await payments in cash from LAGIE through the relevant special RES account. The issue in question concerns amounts which range from Euro 11 mil. to Euro 31 mil. per month and the total amount to be recovered could reach approximately Euro 160 mil. based on an estimated eight-month waiting period. LAGIE has already filed both a claim and an application for interim measures before the Court of First Instance of Athens against PPC and the relevant judicial judgment is being expected. The issue is expected to be addressed by appropriate legislation.

Corrective settlements of IPTO, concerning the Special Account of art. 143, of Law 4001/2011
According to L.4152/2013, RES energy purchases are disbursed though the market operation, on the higher amount of either their income from DAS and Imbalances settlements or the value energy they inject to the system multiplied by the weighted average variable cost of the conventional thermal power plants. This amendment started being applied from 14.08.2013, when RAE's Decision 366/2013 was published in OG, amending the relevant articles of the Power Exchange Code and specifying the methodology of calculations, with which the provision of law was implemented. In October 2013, IPTO has sent to PPC S.A. corrective clearing statements for May, June, July and part of August of 2013, totaling an amount of Euro 48.2 m, which derives from the retrospective application of the relevant methodology. For this amount, PPC considers that retrospective application is not included in the relevant provisions of the Law and thus has not recorded any relevant provision.

11.3. ENVIRONMENTAL OBLIGATIONS

Key uncertainties that may influence the final level of environmental investment which the Group will be required to undertake, over the forthcoming decade, include:

1. **HPP Messochora (161.6 MW)**
   According to Greek Law 3481/2006, the environmental terms for the continuation, completion and operation of the projects of the Acheloos River Diversion Scheme to Thessaly, in which Messochora HPP is included, were approved and their fulfilment is a prerequisite for the implementation of the projects and for which responsibility lies with the administrator, responsible for construction and operation of the respective projects.
   Following the publication of the Law for Public Projects, as well as PPC's projects that have been auctioned and constructed or are under construction and are related to projects of the Acheloos River Diversion Scheme to Thessaly and energy projects are allowed to operate or be completed, according to the approved Administration Plan and the above-mentioned environmental terms.
   Based on the above-mentioned terms the continuation of the project was allowed for the completion and operation of Messochora HPP as well as the completion of the construction project of the tunnel, which are already been completed and are finally delivered by 17.06.2010.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

After the publication of Law 3734/2009, matters concerning the Messochora Hydroelectric Project are arranged, with which the completion and operation of the Project becomes possible. These matters concern expropriation of areas in the Messochora HEP Reservoir, expropriation of the Messochora Village and of the areas where it will be relocated and arrangement of compensations to the affected inhabitants. All the above mentioned expropriations are declared for public utility reasons of greatimportance and their settlement will allow the completion of the Project and the operation of the Messochora Power Plant.

Following the ruling No 141/2010 by the competent Suspension Committee of the Council of State, the immediate cease of all works has been ordered at all relevant projects, as well as the cease of operation of all completed projects. Further developments, namely the final judgment, will be issued by the Plenary of the Council of State after taking into consideration the (11.09.2012) Decision of the European Court of Justice, to which relevant preliminary questions had been addressed referring to the compatibility of the provisions of the Law 3481/2006 with the European legal framework. The Council of State by its recent Decision 26/2014

Has decided to annul the 567/14.09.2006 letter by EYDE/OSYE, by which and according to the Court's Decision 3053/2009, it has been allowed, under the provisions of L. 3481/2006, and the approved environmental terms, the continuation of the diversion scheme in total. The above mentioned decision by the Council of State resulted to the inability to continue, complete and operate HEP Messochora.

The Parent Company considers that the Hydroelectric Plant of Messochora is independent from the Acheloos River Diversion to Thessaly Scheme and therefore it should not be affected from the abovementioned issues. PPC S.A. examines the possibility to disengage Messochora Power Plant from the overall Acheloos River Diversion Scheme, so that the Project can be dealt with as an independent unit and have its own environmental terms, i.e. independently from the other Projects of the Diversion Scheme. For this purpose, PPC has assigned the updating of the Environmental Impact Assessment for HEP Messochora, whilst waiting for the completion of the Water Management Study, ordered by the Ministry of Environment and Climate Change, related to the compilation of the Water Management Plan of the Catchment Areas in the water territories of the Western Central Greece, Epirus and Thessaly, in which the Catchment Area of the River Acheloos is included. Around mid December 2012, there were posted on the website http://wfd.ypeka.gr, the Strategic Environmental Assessment of the Water Management Plans for consulting. Based on the time required for consultancy and decision making, it is estimated that the Water Management Plans will be signed by the competent Authorities in the first semester of 2014. It is also estimated that the procedure for the issuance of the Environmental Permit for the project as an independent entity will be completed in the second semester of 2014, with a possible few months delay due to the required procedures for approval.

On March 31, 2014 the aggregate amount for HPP Messochora amounted to Euro 279.1 mil. and is expected to require an additional amount Euro 124 mil. on to complete and operate the project, which is estimated to operate in 2017.

2. Under IPPC (Integrated Pollution Prevention and Control) Directive, the Reference Document on Best Available Techniques for Large Combustion Plants (with a thermal capacity greater than 50 MW) was issued on July 2006 and is currently under revision. After the finalization of the revision process additional to the already foreseen investments at PPC's larger thermal power plant stations may be required. In accordance with European Directive 2001/80/EC, a pollutants emissions reduction plan for existing Large Combustion Plants has been approved by the Parent Company's Board of Directors, was submitted to the authorities and has been incorporated in the National Emissions Reduction Plan of the country for the period 2008-2015, according to the provisions of the aforementioned Directive.

   After the issue (August 2008) of the Common Ministerial Decision for the National Emissions Reduction Plan, the environmental permits of SES Ptolemaida, Kardia, Amyntaio, Liptol and Agios Georgios were renewed. The same is expected within 2014 for the remaining thermal power plants as well. In December 2010, the new Directive (2010/75/ EC) was issued for industrial emissions (Industrial Emissions Directive – IED), which is effective from 06.01.2011 and which amends Directives IPPC and 2001/80/ EC. Following the provisions of Article 32 of Directive 2010/75/EU, a Transitional National Emissions Reduction Plan (TNERP) for the period 2016-2020 was elaborated and officially submitted by the country to the EU at the end of 2012. The TNERP was approved by the EU on November 26, 2013. On December 2013, PPC submitted to the competent authority an application for several changes to the TNERP, along with its declaration to use the limited life-time derogation (Article 33) for certain Power Plants. After the approval of the competent authority the revised TNERP was resubmitted on March 18, 2014 by the country to the EU. Finally, according to the above, SES Agios Dimitrios, Meliti and Megalopolis A' and B' are included in the NERP, while SES Amyntaion and Kardia will use the limited life-time derogation.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

3. The extent of land contamination has to be assessed for many of PPC's installations, following to the provisions of art. 22 of Directive 2010/75/EU. At present, there appears to be no requirement for large-scale remediation projects at PPC's sites in the short term, and it is unlikely that this will be required at the mining areas or at the lignite-fired power stations for the foreseeable future. Remediation, however, may be required, at some of the company's oil-fired power stations and depots, in the future.

4. PPC has performed limited studies on the presence of asbestos-containing materials, at its premises. Upon submission by PPC of a full environmental impact assessment study, the Ministry of Environment issued in May 2004 the environmental permit for the construction and operation from PPC, in its premises in Ptolemaida area of an environmentally – controlled landfill site for the management and final disposal of asbestos containing construction materials, from the plants of the Northern System.

5. During the operation of the Transmission Lines, Substations and Hyperhigh Voltage Centers, there is no electromagnetic radiation, but two separate fields, the magnetic and the electric field. At places where the public or the Company's personnel might find themselves close to the above mentioned lines and substations, the values for those fields are substantially less than the limits. Those limits were established by the International Commission on Non Ionizing Radiation Protection (ICNIRP) in collaboration with the World Health Organization (WHO). The above mentioned limits have also been adopted by the European Union as well as the Greek State. It must be noted though, that the limits stated in the above regulations for both fields do not constitute dangerous values, but rather contain large safety factors, in order to cover for some vagueness due to the limited knowledge about both the magnetic and electric fields' influence in order to fulfil the requirement for the prevention of any adverse impacts.

6. The issue of Environmental Permit for Klidi Mine remains pending.

7. Furthermore Mine Environmental Department carried out all required procedures, for the renewal of Environmental Permit for Amynteo and Megalopolis Mines.

CO_2 Emissions

During March and May 2013, CO_2 emission licenses have been issued for all 31 PPC installations, for the 3rd implementation phase of the European Union Emissions Trading System (EU ETS phase III, from 1 January 2013 to 31 December 2020).

By the end of March 2014, the verification of the annual emissions reports by accredited third party verifiers was completed successfully and the reports were promptly submitted to the Competent Authority. The total verified emissions of all 31 bound plants of PPC for 2013 amount to 41.3 Mt CO_2.

EMISSION ALLOWANCES (CO2)

According to the current European and National legislation, during the 3rd implementation phase of the EU ETS (period 2013-2020), PPC is not entitled to free allocation of emission allowances, with the exception of allowances allocated for emissions corresponding to the generation of thermal power for district heating.

In accordance with its verified 2013 CO_2 emissions, the emission allowances that PPC has to surrender to the Greek part of the EU Greenhouse Gas Emission Allowances Trading Registry (EU Registry) to fulfil its compliance obligations for the year 2013 amount to 41.3 Mt. During 2013, PPC has been allocated with about 0.77M allowances for district heating emissions.

Based on provisional ex-post data, the CO_2 emissions of the Parent Company's bound plants for the period 01.01.2014 – 31.03.2014 amount to 10,6 Mt. In addition, PPC's emissions for the rest of the year (01.04.2014 – 31.12.2014) are estimated at 32.8 Mt. It should be noted that the emissions of 2014 will be considered final by the end of March 2015, when the verification of the annual emissions reports by accredited third party verifiers is completed. Consequently, the total CO_2 emissions that PPC will have to surrender for compliance purposes for the period 01.01.2014 – 31.12.2014 are estimated at 43.4 Mt.

11.4. INVESTMENTS

Combined cycle natural gas fired power plant of a 416,95 MW in Aliveri

After an international tender, the Project "Study, supply, transportation, installation and putting in operation of a 416,95 MW net combined cycle natural gas fired Unit V at Aliveri" was awarded to the successful bidder company Metka S.A. The contract for the construction of the Project was signed in October 2007, with a contractual price of Euro 219 mil.

In July 2009, the Building Permission was issued, and in September 2009, the construction began.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

In May 2010, the Supplement No 2 of the Contract was signed, according to which PPC shall pay the Contractor the amount of Euro 31.15 m. for the delay of the Project, due to antiquities found on the construction site and difficulties about the progress of the permissions, as well as for additional works.
In October 2010, the Supplement No3 of the Contract was signed, according to which the valid period of guarantee of the Project and consequently of the Equipment is extended for 2 months with the payment to the Contractor of the amount of Euro 1.8 mil. and according to the provisions of the Supplement No2.
On February 18, 2011, PPC accepted the terms for the connection of the above Unit with the System following a relative correspondence with HTSO.
On January 21, 2011, the Board of Directors of PPC approved the additional extension of the new guarantee period of the Project for 8 months, with the payment to the Contractor of the amount of Euro 7,2 million. In February 2011, the Supplement No4 of the Contract was signed.
In October 2012, PPC's Board of Directors approved the modification of the Time-Schedule of the Project , the extension of the guarantee period of the Project for 11 months with the same terms provided for in Supplements Nos 2, 3, 4 to the Contract, the covering of Contractor's expenses with the amount of Euro 5.5 mil. due to the extension of the Time-Schedule of the Project, as well as the assignment to the Contractor of the supply and installation of the necessary equipment for the construction of the natural gas pressure reducing station (from 75 barg to 38 barg). The relevant Supplement No5 of the Contract was signed on 19.11.2012.
In March 2013 the Connection Contract between IPTO and PPC S.A. was signed in order for the unit to be connected to the System.
The initial firing of the Gas-turbine was effected on 09.03.2013 and it was put in operation on 15.03.2013.
On 12.08.2013 the Unit was put contractually in Commercial Operation, which was completed on 04.11.2013.
In February 2014, the Unit was registered in both the Units' Register and IPTO's Allocated Units' Register .
The work of the Committee for the Temporary and Final Acceptance of the Project is in progress.
On 31.03.2014 the total expenditure for the project amounted to Euro 298 mil.

A new Steam Electric unit 660 MW in Ptolemaida
The International tender was announced on April 20, 2010. The total budget of the Project amounts to Euro 1.32 bil. In September 2010 the Ministry for Environment and Climate Change has issued the relative Generation License as well as the Distribution of Thermal Energy license.
On June 28, 2011, the following two bids were submitted:

- The bid from TERNA S.A
- The bid from the Consortium led by Alstom Power Systems S.A and including also ALSTOM Power Systems GmbH, ALSTOM Hellas S.A, METKA S.A and DAMCO Energy S.A.

In November 2011, the Board of Directors of PPC decided to award the project to the successful bidder company "Terna SA".
On 11.12.2012, PPC's Board of Directors decided, that the Contract of said Project would be signed.
The above mentioned contract was signed in Ptolemaida on March 9, 2013 and according to a relevant term it is subject to the resolutive condition of the approval of PPC' s General Shareholders' Meeting. The final contractual price amounts to Euro 1.39 bil.
On 29.03.2013, the General Meeting of PPC'S S.A. Shareholders approved the realization of the investment for the construction of the Unit as well as the relevant Contract. The realization of the project will be accomplished in two stages.
In the first stage, with a duration of 20 months by the entry into force of the contract, the study for the licensing of the project as well as the licensing itself, will be realized. The contractor will also conduct the study for the licensing as well as the construction of the building for PPC's inspection unit.
In the second stage, with a duration of 50 months by the issuance of the building permit, the project's study will be completed as well as the construction and the commercial operation of the unit.
On 23.09.2013, PPC S.A. announced the signing of a Bond Loan of an amount up to Euro 739 mln with a syndicate of foreign banks, in order to finance part of the construction of the above mentioned unit. The loan with annual all – in – costs of close to 5% has a duration of 15 years and will be supported by the German Credit Insurance Organization Euler Hermes. In December 2013 the final insurance coverage was issued by Euler Ermes while all the prerequisites for the drawdown of the loan were satisfied
There is being in progress the drawing up by the Contractor of the studies for the Project licensing and their submission to the Corporation for review.
On 31.03.2014 the total expenditure for the project amounted to Euro 52.3 mil.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

A new diesel engine Power Plant 115,4 MW in South Rodos burning of heavy fuel oil with low sulphur content

After an international tender, the Project was assigned to the successful bidder company (TERNA S.A.). In July 2009, the relevant Contract was signed. The Contract price is Euro 182.8 mil.

In September 2010, the Decision of the Ministry of Environment Energy and Climate Change for the modification of the Generation License concerning the power (115.439 MW) and the number of units (7 generating sets) was issued.

On 01.12.2010, the Common Ministerial Decision Approval of Environmental Terms was issued.

On June 29, 2011, the relevant contract for the purchase of the land of the main Station was signed.

In September 2011, the Installation License was issued and was modified on January 20, 2012.

On January 25th, 2011 the Building Permit (6/2011) was issued and on February 16th, 2011 the construction of a temporary warehouse begun.

On February 2nd, 2012 the Building Permit (25/2012) regarding earthworks has been issued and on March 26rd, 2012 begun the relevant works at the plot of the main facilities of the station.

On August 3rd, 2012 the building permit (184/2012) was issued for the main facilities of the station.

On August 20th, 2012 the certificate for the land uses was issued and the building terms for the coastal facilities were approved. After that, the procedure for the purchase of the land of the coastal facilities was started.

In the context of the implementation of the Contract two supplements were issued until today.

By Supplement No 1 (15.12.2010) certain articles of the contract were modified. By Supplement No 2 (22.06.2012) certain subjects regarding the transfer of equipment, the assignment of the study and construction of the temporary site warehouse, the surveyors' building as well as the guesthouse, were adjusted.

On February 15th, 2011 the society called "Citizen's initiative for environmental protection and development of Southern Rhodos" filed an application for a stay of execution with the Council of State by application number 119, for the following:

a) Of the Environmental Impact Assessment 162761/12-2010 for the new diesel engine power plant and
b) The No 6/2011 Building Permit which was granted to PPC for the construction of the temporary site warehouse at the plot for the construction of the new power plant.

In implementation of the Temporary Order of the Council of State the competent authority for urban planning has issued the 2276/06.04.2012 suspension of construction for the 25/2012 building permit.

The Council of State with its Decision No 4413/12 annulled the Act of Approval of Environmental Conditions for the installation and the operation of the new Thermoelectric Power Plant in South Rhodes and the building permit for the temporary warehouse at site, considering that the Act of Approval of Environmental Conditions was not in accordance with the those defined in Art 6 par 3 of the Directive 92/43/EEC (for the conservation of natural habitats and of wild fauna and flora).

Since March 27th, 2011 the delivery of equipment for the project to warehouses in the port of Elefsina has started.

On 31.07.2012, the Parent Company's Board of Directors approved the payment to the Contractor of the amount of Euro 4.250.000, as a result of Amicable Settlement, for the full settlement of Contractor's claims for the time period until 31.01.2012 due to the delay of Project Permission.

The Ministry of Environment, Energy and Climatic Change, in response to PPC's relative letter on 21.01,2013 , notified PPC S.A. that there have not been changed the needs for which the Generation and Installation Licenses were granted, and therefore asked for the completion of the Environmental Impact Assessment and the Specific Ecological Evaluation. Thereafter, PPC has already proceeded to the award to Consultant of the drawing up of the Specific Ecological Evaluation.

Subsequently. PPC proceeded to the preparation of the following studies:

- Special ecological study
- Land planning study
- Environmental Impact Assessment study
- AOGregate study of evaluation of social impact.

The Environmental Impact Assessment study has already been concluded and it was submitted to the Ministry for the Environment and Climate Change, on 17.05.2013, including all the above mentioned studies. The Ministry of Environment, Energy and Climatic Change forwarded on 03.07.2013 the Environmental Impact Assessment study to the Regional Council of S. Aegean in order to make it public to the competent Bodies for their relevant opinions. Following the relative opinions of the appropriate Bodies, the Ministerial Decision of the Approval of Environmental Conditions of the Power Station, as well as the ancillary projects (a substation of 150/20KV and a new road to the coastal installations of 1 km) was issued on November 5, 2013.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

On 30.08.2013, there were published in the Government's Gazette, the land use decisions for the coastal public property, necessary for the erection of the on-shore installations.
The Secretary General of the Regional Administration of Aegean has signed, on 08.01.2014, the "Land Purchase Contracts" for the coastal public property, necessary for the erection of the on-shore installations.
On 03.01.2014, there was submitted to the Ministry for the Environment and Climate Change the Envelope for the reissuance of the Installation License for said Project.
PPC and Contractor continue the preventive maintenance of engines, generators and transformers, which are temporarily stored in Elefsis port.
Restart of works is expected within June of 2014.
On 31.03.2014 the total expenditure for the project amounted to Euro 96 mil.

A new combined cycle unit at Megalopolis
On August 25, 2009 the Board of Directors of Parent Company approved the award of the Project to the successful bidder Consortium METKA S.A. and ETADE S.A. Furthermore, the contractor has accepted that no claims will be raised related to eventual delay up to 13 months, due to unavailability of Transmission Network of 400 kV or/and Natural Gas. This time interval of 13 months starts, for the delay of supply of natural gas in the Unit, 26 months as from the date of signing of the Contract and for the delay of connection with the network 400 KV, 24 months as from the date of signing of the Contract.
On November 13, 2009, the relevant Contract for the implementation of the Project was signed and the contract price amounts to Euro 499.5 million.
In November 2010, PPC accepted the terms for the connection of the above Unit with the System following a relative correspondence with HTSO.
On May 31, 2011 the Contract for the Long Term Maintenance of the Unit was signed with the company METKA S.A.
On July 8, 2011, the Building Permission of the above Unit was issued.
On October, 17, 2011, after a related request from the Contractor Joint Venture «METKA S.A. – ETADE S.A.», the Board of Directors of the Parent Company approved the substitution of the above Joint Venture from the Joint Venture «METKA S.A. – TERNA S.A.»
The related Supplement No1 came into force on December, 12, 2011.
On May 8, 2012, the Board of Directors of the Parent Company approved the assignment of additional works related to the water supply of the Unit V amounting to Euro 1.82 mil. On 10.10.2012 the relevant Supplement No 2 to the Contract was issued. On 10.05.2012 the connection agreement to the National Natural Gas System was signed.
Civil works construction, as well as, installation is at the final stage. Commissioning of the electromechanical equipment is in progress.
The Unit is expected to enter commercial operation in the beginning of 2015.
On 31.03.2014 the total expenditure for the project amounted to Euro 473 mil.

HPP ILARION (157 MW)
In July 2012, PPC SA announced the successful tapping of the diversion tunnel of the Ilarionas Hydroelectric Project and the start of the Reservoir impoundment. The works in the Substation, as well as the remaining works in the riverbed area downstream of the Dam, have been completed, the Units tests have progressed and the Plant is expected to be set in commercial operation in the first semester of 2014.
The total installed capacity of the plant is 157 MW and it is expected to generate, on an annual basis, approximately 330 GWh of net electricity.
On 31.03.2014 the total expenditure for the project amounted to Euro 290.1 mil.

11.5. PPC RENEWABLE (PPCR)

Construction of nine (9) new Wind Parks from PPCR S.A.
In February 2009, PPCR announced the construction of nine new Wind Parks, of total installed power 35.1 MW, in the Greek islands and more particularly two in Crete (Akoumia and Koprino), two in Samos (Marathokampos and Pythagoreio) and one in Paros, Lesvos, Rhodes, Sifnos and Limnos an investment of Euro 59,16 mil., without including any additional contractual revisions. The installation process and network connection of the Wind Farms in Paros, Lesvos, Rhodes, Samos (Marathokampos), Crete (Akoumia) and Limnos has been completed.
In March 2014, the construction of the eight (8) Wind turbines has completed. The installation works are expected to be completed by the end of the second quarter of 2014, whereas, the completion of the interconnection to the grid is expected to be fulfilled in July of 2014.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Hybrid Project in Ikaria
The project of 6.85 MW of total power combines two renewable energy sources, Wind and Hydroelectric. The hybrid project in Ikaria is expected to be completed in 2014 with commencing operation by the first quarter of 2015.

Megalopolis Photovoltaic (PV) Plant
In April 2014, the Council of State has decided to reject an application regarding the cancellation of licenses related to the 39.42 MW PV Plant of ARKADIKOS ILIOS ENA S.A in the municipal of Megalopolis Arcadia.

Exploitation Rights of the geothermal fields
By decisions of the Deputy Minister for Environment, Energy and Climate Change the Public International Bidding Contest (tender date 07.09.2011) for the lease of rights of exploitation of geothermal fields in the following areas:
a)Sousaki in the Corinthos prefecture, b) the Sperhios basin in the Fthiotida prefecture, c) Akropotamos in the Kavala prefecture and d) the island of Ikaria, was awarded. The BoD has approved the acceptance of leases, however, the notarial deeds have not been signed by the Ministry yet. The deadline for signing the above notarial deeds leases has been extended until June 30, 2014.

Applications for production licenses
In March 2013, PPCR SA submitted an application concerning the renewal and amendment of the production license of the existing W/P, in Kalivari Andros of 1.575 MW capacity. The W/P operates from July 1992.
In September 2013, PPCR applied to RAE for the production license for a number of wind farms with a total installed capacity of 1,047 MW in islands of South Aegean Prefecture, through their interconnection to National Power Grid.
More specifically, the application submitted includes the following W/P clusters: Amorgos Island - 132MW, Astypalaia Island - 54MW, Ios Island - 48MW, Kimolos Island - 60MW, Milos Island - 267MW, Polyaigos Island - 93MW, Kithnos Island - 81MW, Kos Island - 186MW, Sikinos Island - 63MW, Folegandros Island - 48MW and Tilos Island - 15MW.

Small Hydroelectric Power Plants
By the end of 2013, the construction of SHPP Ilarion with a total power 4.2 MW has been completed and the SHPP is expected to be put in testing operation within the second quarter of 2014.
In addition, the conversion of old SHPP Agias, which is no longer operational and has been conceded to Crete Prefecture, into an exhibition area accessible to the public has been continued. The conversion procedure begun the summer of 2012 and is expected to be completed in 2014.

Construction of six (6) new Wind Parks in Aegean islands
In September 2013, PPC Renewables' S.A. Board of Directors approved the following projects:
1. The construction of six (6) new wind parks of total installed capacity 13.5 MW, in Aegean islands. The project's total budget equals to Euro 16.2 mil.
2. An international public tender for the Design, Supply, Transportation, Installation and Commissioning of six (6) new wind parks of total installed capacity 13.5 MW and of Euro 16.2 mil. budget in the following locations: Marmari (Euboea Island) 5.4 MW, Sigri (Lesvos Island) 2.7 MW, Pythagoreio (Samos Island) 1.8 MW, Tigani (Mykonos Island) 1.8 MW, Vigla (Limnos Island) 0.9 MW, Potamia (Chios Island) 0.9 MW.

In October 2013, PPC Renewables' Extraordinary General Assembly approved the above mentioned decisions. In April 2014, the announcement of a public tender was decided by the Management of PPC Renewables S.A for the six (6) wind parks project and the submission deadline was set for the 23rd of June 2014.

Repowering of SHPP Louros
In October 2013, PPC Renewables' S.A. Board of Directors approved the following projects:
1. The repowering of SHPP Louros, placed to Louros river in the borders of Preveza and Arta regions. The project's total budget equals to Euro 6.4 mil.
2. An international public tender for the Design, Renovation of the SHPP's building facilities, water intake and adduction facilities, and supply, transportation, installation and commissioning of E/M Equipment of SHHP LOUROS nominal capacity 8.84 MW, placed to the borders of Preveza and Arta regions.

In January 2014, PPC Renewables' Extraordinary General Assembly approved the above mentioned decisions.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

In March 2014, the announcement of a public tender was decided by the Management of PPC Renewables S.A. for the repowering of SHPP Louros and the submission deadline was set for the 22nd of May 2014.

Business Plan 2014 -2018
On February 20, 2014, PPC's Board of Directors approved the five-year Business Plan 2014 -2018 of PPC Renewables. By completing the implementation of its Business Plan, PPCR is expected to have more than double its Installed Capacity Portfolio and to increase significantly its market share. As provided for in Business Plan 2014 -2018, total investments shall equal to Euro 398,24 mil and installed capacity to 331 MW by the end of 2018.

11.6. IPTO S.A.

Electrical Interconnection of "NEA MAKRI - POLYPOTAMOS"
The electrical interconnection of Nea Makri with Polypotamos – which has been characterized as project "of an overall significance for the country's economy" in L. 3175/2003- is in the final stage of its implementation. The submarine cables have already been immersed in the maritime area between Evia and Nea Makri.
The interconnection cost is more than Euro 80 mil. while the RES investments, which are directly connected to the project are more than Euro 700 mil.
With the completion of the overhead cable connecting Polypotamos to South Evia and the installation of the subterranean cables up to Nea Makri's High Voltage Center, the project is expected to be completed and be ready for electrification before the end of 2014. It should be noted though, that there is already a significant delay in the installation of the subterranean cables by the limits of the former American Base to Nea Makri's High Voltage Center, due to considerable reactions by the Municipality of Marathonas (former Municipality of N. Makri) and the non-granting of excavation license. The above mentioned excavation license has finally been granted in the beginning of March 2014, and the works for the subterranean cables, which will go through the city of Nea Makri began on May 26, 2014. Additionally, there are delays in the necessary expropriations relating to the 150 kV transmission lines from the Evia Estate Authorities.

Construction of High Voltage Center (HVC) in Aliveri and interconnection transmission line of 400 kV
The construction of Aliveri's (GIS) HVC, which will be serving new thermal power units and RES generators in Evia, has been recently concluded. In February 2013 it was electrified for the first time while in April 2013 the first circuit of the 400kV line, which connects the new Aliveri HCV with the backbone of the national 400 kV transmission system in the Viotia area, was put under load. The second circuit was electrified and put under load at the end of August 2013. The line which consists of two circuits, both overhead and subterranean parts, with a length of 56 and 13.5 kilometres, respectively, has already received injections of electricity by PPC's new natural gas unit in Aliveri which by February.2014 is an allocated unit and is in proper operation.

Construction of High Voltage Center (HVC) in Megalopolis, Peloponnese
Within a time frame of only two years, IPTO constructed the new High Voltage Center (HVC) in Megalopolis. The 150 kV side of the circuit was electrified in April 2013 while the 400Kv side has also been electrified in August 2013. The new HVC is ready to receive injection of electricity by generators in the greater area, including PPC's new natural gas unit (Megalopolis V), when the said unit is completed. The construction of the 150 kV interconnecting transmission lines of the HVC as well as both 400 kV transmission lines connecting the HVC with the new natural gas unit of Megalopolis V, has been concluded.
As far as the construction of the 400 kV interconnection lines of the Megalopolis HVC to the Patra area and from there through submarine and overhead transmission lines to the 400 kV Mainland System, the approval of Environmental Terms is pending. The relevant preliminary procedures that do not request a license are underway.

Interconnection of Cyclades to the Mainland System
IPTO has proceeded with re-declaring the tender for the interconnection of the Cyclades Islands with the Hellenic Power Transmission System with a total budget of Euro 240 mil., following the conclusion of the public consultation. The unsealing of the offers was held on October 15, 2013 and the process for the promotion of the lowest bidders for the subprojects of units B, C and D of the complete project has been concluded. The finalization of the tender procedure for the subproject of unit A (high voltage connection between Lavrio and Syros) is pending.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The above mentioned project is characterized as one of extreme interest and general importance for the country's economy and aims to the reliability of the interconnected islands' power supply, in the achievement of the maximal possible reduction in Public Services Obligations' cost, due to the operation of oil thermal units as well as the reduction of CO_2 emissions. The islands' interconnection with the mainland system as well as with each other will be realized through submarine cable connections.

Interconnection of Crete to the Mainland System
IPTO has proceeded to preliminary actions for the implementation of the project which aims to achieve the interconnection within the current decade. In the abovementioned context in the first quarter of 2014 a preliminary study of the seabed with the collaboration of the University of Patras has been conducted for the immersion of submarine cables. At the same time several places that have been deemed appropriate for the construction of terminal stations are examined, in both Crete and the Mainland. The above is further analyzed by IPTO's responsible departments as far as technical issues are involved as well as issues related to the environmental permits and the financial parameters of the project.

Ten Year Network Development Plan (TYNDP) of the subsidiary IPTO S.A. for the period 2014-2023.
By its Decision 560/2013 which was published in OG B 3297/24.12.2013, RAE has approved the Ten Year Network Development Plan (TYNDP) of the subsidiary IPTO S.A. for the period 2014-2023, after having imposed some amendments concerning the schedule for the Cyclades Interconnection (3rd phase). Following that IPTO S.A. has incorporated the above mentioned amendments in the TYNDP 2014 -2023 and has submitted to RAE the final issuance of the TYNDP. The approved TYNDP 2014-2023 was published in OG B 556/05.03.2014 based on RAE's Decision 77A/2014/18.02.2014. In February 2014 IPTO has put in public consultation the preliminary draft of TYNPD 2015-2024. The relevant procedures for the submission of the TYNDP to RAE are ongoing, pending RAE's approval.

Use of Congestion Income, from the country international interconnections access rights, for the year 2014.
With its 170/2014 decision, RAE approved the use of €30million from the Reserves Account (Interconnections Transfer Capacity Allocation according to article 178 of the Greek Grid Control Code For Electricity) that IPTO keeps for the reduction of the Transmission Use of System Annual Cost for the year 2014.

11.7. BUSINESS COLLABORATION

PPC's Participation in waste management tenders.
Waste Syclo, is a joint company by PPC S.A. and Terna Energy, with Terna Energy owning 51% and PPC 49% of the share capital, responsible for the study, performance of projects, rendering of all types of services related to waste management in general, electricity generation from waste management, and urban and industrial waste water treatment, within the territory of Greece. The Hellenic Competition Commission with its 577/VII/2013 decision approved the collaboration of PPC and TERNA ENERGY in 24.10.2013.
Waste Syclo submitted in May 6th 2014, an Expression of Interest in Phase A' of the tender published by the municipality of Corfu for the construction of an integrated solid waste management facility of Corfu.

PPC collaboration with Terna Energy for Attica Waste Tenders
In January / February 2013 PPC in collaboration with TERNA ENERGY, submitted Expressions of Interest in the tenders of the Integrated Waste Management Facilities of Attica Region, through a Public Private Partnership (4 tenders). The JV has been preselected in three tenders and has recently participated in Phase B I of the competitive dialogue for the North Western Attica tender which was completed in January 2014. At the moment the announcements for Phase B II - Submission of Bids for North Western Attica, as well as the announcement of Phase B I - competitive dialogue for the rest of the tenders (Ano Liosia and Fyli) are expected.

Kosovo Energy Project
PPC is participating in the project since March 2010. The project, according to the new RfP published in April 5, 2013, includes the development of the mine and the construction of a new electric power generation plant with estimated installed capacity of 2X320 MW. PPC is examining its participation in the next phase of the tender, based on the amendments of the tender.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

International public tender in FYROM
The tender involves the design, financing, construction, operation and maintenance of the new hydro power plant Cebren (333 MW), as well as operation of the existing hydro power plant Tikves (92 MW). The government of FYROM relaunched the tender in January 31st 2014 with the deadline for bid submission in June 30th 2014. PPC continues to have interest in the project, and will examine its participation based on the new tender documents.

Business Collaboration with Quantum Corporation Ltd and the former Bank of Cyprus
PPC - QUANTUM ENERGY LTD, a joint company founded by PPC, Quantum Corporation LTD and the former Bank of Cyprus, with share capital participation 51%, 40% and 9% respectively, whose objectives are studying, designing, founding, constructing, operating, managing and exploiting of power plants in the region of the Republic of Srpska, is expanding the purpose of its establishment and is planning and exploring future energy needs of Greece and Cyprus and is studying the interconnection between Greece and Cyprus, as well as between Israel – Cyprus – Greece. In this direction, PPC QUANTUM ENERGY LTD has signed a Memorandum of Understanding with Israeli Electric Cooperation regarding the feasibility study of an underwater cable which will transfer electrical energy from Israel to Europe. (EuroAsia Interconnector Project).

Establishment of a Societe Anonyme jointly with DAMCO ENERGY SA
On August,7 2013 PPC's BoD approved the establishment, jointly with DAMCO ENERGY SA, of a Societe Anonyme, named "PPC Solar Solutions S.A." in which PPC S.A. will participate with 49%. The objective of "PPC Solar Solutions S.A." will be the promotion, through a national franchising network, of integrated solutions for household photovoltaic systems and energy efficiency technologies, the provision of energy services, as well as the provision of services to PPC's customers. The establishment of the above Societe Anonyme was approved by the Competition Commission, by its 587/2014 decision. On February 28, 2014 the company " PPC SOLAR SOLUTIONS S.A." was incorporated with a share capital of Euro 2 mil. In May 2014, a payment of Euro 480 was made by PPC.S.A. which concerned the first installment for the payment of the share capital, while the payment of Euro 500 which concerns the second installment for the share capital, is scheduled in June 2014.

Option for acquisition of DEPA shares
PPC had acquired an option for the acquisition of a number of DEPA shares, based on L. 2593/1998, in accordance with a relevant contract signed between the Greek State and PPC S.A.
PPC's Extraordinary Shareholders' Meeting, on October 4, 2012, approved the Private Agreement between PPC and HRADF, by virtue of which the parties agree that, PPC waives its right on the option in DEPA, following the compensation payment of Euro 32.9 mil., as resulted by the evaluation of the independent financial advisor Citibank.
The waiver of PPC's right is subject to the completion of the privatization process and to the fulfillment of the compensation payment due to PPC by HRADF.

Expansion of the activities of PPC abroad and establishment of commercial subsidiaries
A joint venture contract was signed between PPC and Alpiq Central Europe Ltd for the establishment of a commercial subsidiary company in Bulgaria, under the name PPC Bulgaria (PPC BG).
PPC S.A. will hold a 85% stake of the share capital of the joint venture company and Alpiq Central Europe Ltd will hold 15%.
Through this partnership, PPC seeks to penetrate neighboring electricity markets, to expand its cross-border activity beyond Greek borders and also to achieve synergies on know-how in regards to trading in multiple electricity markets, by acting together with an established company with presence in many European countries and significant experience in cross-border electricity trading.
In addition the Parent Company's Board of Directors has decided to establish a wholly owned subsidiary in Turkey, based in Constantinople, in order for the Group to establish itself in the fast growing Turkish Market, and the cross – border trade in electricity to and from Turkey. The above mentioned company has been incorporated and all the prerequisite procedures are in process for the company to receive its commercial license by the Turkish Regulatory Energy Authority.

Collaboration framework with DEPA S.A.
Following the relevant approval of the Extraordinary General Shareholders' Meeting of PPC S.A. held on October 4th, 2012, PPC proceeded, on October 29th, 2012, to the signing with DEPA of a new Contract for the Procurement of Natural Gas and of a Private Agreement by which all differences and mutual claims which derive by the existing between the parties Contract for the Procurement of Natural Gas of June 9th, 1994, are settled.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

The new contract of 29.10.2012 between PPC and DEPA pertains to the procurement and transportation of a total quantity of 11,260 mil. Nm^3 of natural gas to the energy generating units of PPC for the period 01.01.2012 until 31.12.2020. The Minimum Annual Contractual Quantity (take or pay clause) is defined in 80% of each Annual Contractual Quantity, with the right for PPC to reduce it to 75% for two, non - consecutive, years of its selection, with a six month notice of DEPA.
The price for the procurement of natural gas as well as the height of the payment guarantee provided by PPC, will be derived by the mechanisms applied by DEPA for its other energy generating customers. Among others it is provided for, PPC's right for the readjustment/ renegotiation of the contract in case of changes and /or significant changes in the national or international natural gas market and /or the Greek energy market.
Following DEPA's commitments, which were accepted by the Competition Commission by its decision on November 13, 2012, PPC has already proceeded with the readjustment of the Annual Contractual Quantity for the years 2013 and 2014 while according to the contractual provisions, PPC has already exercised its right to reduce it to 75% for the year 2014.
For the year 2013 PPC has more than covered its obligation as far as take -or- pay is concerned and thus such a clause is not in effect for 2013.
Furthermore PPC in the context of the legal framework has proceeded in November and December 2013 in the resale of minor quantities of natural gas, purchased by DEPA according to the existing contract, to its industrial customers.
In the year 2013 DEPA has proceeded to a unilateral determination of the provisions on the contract between DEPA - PPC, of the implementation of the new DESFA tariffs, as far as the usage cost of borders' entry points is concerned as well as invoicing purchases of natural gas. The abovementioned charges have not been accepted by PPC and the relevant amounts of the invoices issued by DEPA, have not yet been paid. Both parties are in contact in order to settle the abovementioned matter.
As far as the 2013 settlement is concerned, the certification of the relevant calculation formulas by an independent verifier, in accordance with the data by the long term contracts between DEPA and its suppliers.
Moreover, following the publication of the revised Operational Code for the National Gas System and according to the contractual provisions and DEPA's commitments to the Competition Commission, the latter has send to PPC, on February 5, 2014 a draft of the contract for the supply of natural gas without the inclusion of transportation through the national natural gas system. The draft in question is being examined by the Parent Company.
Finally, the provisions of the private agreement dated 29.10.2012, for the settlement of PPC;s claims against DEPA until 31.12.2011, which have arisen during the implementation of the 09.06.1994 contract between PPC and DEPA as well as the settlement of the matters pending for 2012, have been settled cash wise.

DEPA – GAZPROM agreement for the retrospective reduction of the price of Natural Gas
On 25.02.2014 the Ministry for the Environment and Climate Change, has announced, via a press release, that an agreement was reached between DEPA and Gazprom, which secures a significant discount in the procurement of natural gas.
The new price reflects a 15% discount to the supply price of Russian pipeline gas which has resulted to a discount of 12.3 % to the border price by which PPC is being supplied with pipeline gas (a mix of Russian and Turkish) compared to the price in effect by 25.02.2014. The new price has a retrospective effect – based on the transnational agreement – effective July 1st, 2013 which will lead to discounts to the total of natural gas consumers (both industrial and domestic). As a result of the above mentioned agreement the supply cost of natural gas for the second half of 2013 was reduced by Euro 23.4 mil. The effect appears in the first quarter 2014 results and is included in Other (income)/expense of the comprehensive income.

Special Consumption Tax on Electricity
The Custom House's audit in relation to the special consumption tax on electricity for the period May 2010 to September 2012 is ongoing. Energy self-consumptions are audited, which for the period in question amounted to 3,348,360 MWh. The Parent Company has submitted a memo to the Custom House for further clarifications, after being invited to do so.

Tax Certificate 2013
The tax audit by the Parent Company's certified auditors for the year 2013 is ongoing.

Tax audit
From January 2014, the Centre for Auditing Big Companies is executing a tax audit for the years 2009, 2010 and 2011.

11. COMMITMENTS, CONTINGENCIES AND LITIGATION (CONTINUED)

Advance payment to PPC against sums due by Government Bodies
In December 27, 2013 PPC was paid an advance of Euro 100 mil. which were returned on February 28, 2014. On March 4, 2014 a new advance of Euro 90.9 mil. was paid to PPC which will be returned in May 2014.

12. SIGNIFICANT EVENTS

Extraordinary General Meeting of PPC's Shareholders
PPC's Board of Directors decided to convene an Extraordinary General Meeting of PPC's Shareholders on the 31.01.2014, according to the invitation posted on 07.1.2014.
The items on the agenda that were discussed by The Extraordinary General Meeting of the Shareholders were as follows :
1st Item : " Pricing of "ALUMINIUM S.A." as of 1.1.2014 – Submission for approval of actions taken by the Board of Directors"
2nd Item : Approval of the capacity of a Member of the Board of Directors.
3rd Item : Approval of the appointment, pursuant to article 37 of L. 3693/2008, of a Member of the Audit Committee.
With regard to the 1st Item, the Hellenic State submitted, by virtue of article 39, par. 3 of Codified Law 2190/1920, the following request for postponement of the relative discussion : "Given that the Hellenic State has to ensure a) as PPC shareholder, the long-term interests of the company, b) as responsible for shaping the energy and industrial policy, the sustainability and the competitiveness of the market, and therefore, based on these priorities and roles, I request the postponement of decision taking on the 1st item on the Agenda of the Extraordinary General Meeting of the Shareholders, so as to allow sufficient time for consultation with all interested parties for the settlement of technical issues with regard to electricity pricing".
Therefore the discussion on the 1st item was postponed for Friday, February 28th, 2014.

Repetition of the Extraordinary General Meeting of PPC's Shareholders
On February 28, 2014 the postponed Extraordinary General Shareholders Meeting was repeated, where the representative of the Majority Shareholder, namely the Hellenic Republic, proposed and the General Shareholders Meeting approved an extraordinary tariff discount of 10% to PPC;s approved tariffs for High Voltage customers with the duration of one year plus one by 01.01.2014. Especially for businesses with an annual consumption larger than 1,000 GWh there will be a further volume reduction of 10% in addition to the above mentioned discount.
Additionally, as a motive for increasing consumption during the zone of minimum consumption (nights and weekends) a further 25% discount on the A4 tariff for all High Voltage will be granted to customer except to those of an annual consumption more than 1,000 GWh and for their time of operation in the above mentioned zone.
Finally, the Shareholders General Meeting approved the up to now actions of the Company's Management regarding the ALUMINION case.
On March 27, 2014, The Parent Company's BoD by its Decision has defined the implementation of the above mentioned decision of the General Shareholders' Meeting, concerning the tariffs for High Voltage customers while on April 23, 2014, they were invited, through letters to sign supply contracts, providing at the same time information about their implementation.
In this context meetings are conducted with High Voltage customers for a) the provision of clarifications and explanations on the Shareholders' General Meeting's decision and b) for the settlement of overdue amounts, should they exist.

13. SUBSEQUENT EVENTS

Loans
During the period 1.4.2014 – 29.5.2014, the Group proceed to debt repayment amounting to € 9.4 mil. (€ 7.25 mil. PPC S.A.).
In April 2014, PPC S.A. concluded the refinancing of its whole loan portfolio with the Greek lending banks by signing a five years syndicated loan of an amount € 2.23 bn.
In May 2014, the PPC S.A., through its subsidiary PPC Finance Plc, has successfully priced an offer of € 700 mil. Senior Notes. The offer consists of a combination of € 200 mil. Senior Notes due 2017 and € 500

mil. Senior Notes due 2019, at a fixed coupon of 4.75% and 5.50% per annum, respectively. An amount of € 452 mil from the senior notes were used in May 2014 for the equal partial repayments of the Syndicated Loan with the Greek Banks, achieving a cost reduction of 50 bps (0.50%) in the outstanding amount.

13.SUBSEQUENT EVENTS (CONTINUED)

In April 2014, PPC's BoD decided to provide security in favor of IPTO for the issuance of a syndicated loan, amounting € 337.1 mil. PPC's guarantee will apply for the period that PPC holds the 100% of IPTO's shares. The guarantee concerns the existing loans that will be refinanced through the aforementioned syndicated medium term loan.

Credit rating
In April 2014, the rating house Standard and Poor's (S&P) upgraded the Parent Company's credit rating from CCC to B with stable outlook. Moreover in May 2014, the rating house ICAP S.A. upgraded the Parent Company's credit ratings by two notches from D to B.

Share Capital Increase for PPC Finance Plc
In May 2014 the payment of PPC's subsidiary, PPC Finance Plc's share capital increase, was concluded amounting to Euro 65.6 by the shareholders PPC S.A. (Euro 59 or 90%) and PPC Renewables (Euro 6.6 or 10%).

(All amounts in thousands of Euro, unless otherwise stated)

14. SEGMENT INFORMATION

Sales and inter segment results are as follows:

	Sales		Profit Before Taxes	
	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013	01.01.2014 - 31.03.2014	01.01.2013 - 31.03.2013
Interconnected system				
Mines	190,258	182,571	(10,402)	(17,303)
Generation	626,398	497,074	109,140	(969)
Distribution Network	77,790	91,070	26,261	39,622
Supply	1,571,767	1,444,766	(96,942)	(49,686)
	2,466,213	**2,215,481**	**28,057**	**(28,336)**
Creta Network				
Generation	106,454	115,300	8,570	5,609
Distribution Network	5,502	5,255	904	1,844
Supply	154,032	83,683	8,243	10,498
	265,988	**204,238**	**17,717**	**17,951**
Non-Interconnected Islands System				
Generation	103,467	107,879	14,307	4,804
Distribution Network	7,316	7,372	2,050	3,387
Supply	139,620	68,791	5,503	11,284
	250,403	**184,042**	**21,860**	**19,475**
Total Parent Company	**2,982,604**	**2,603,761**	**67,634**	**9,090**

FIGURES AND INFORMATION

PUBLIC POWER CORPORATION S.A.

Company's number 786301000 of the General Electronic Commercial Registry (former Company's Reg. No: 47829/06/B/00/2)
Chalkokondyli 30 - 104 32 Athens

FINANCIAL DATA AND INFORMATION FOR THE PERIOD
January 1, 2014-March 31, 2014

In accordance with the Decision 4/507/28.04.2009 of the Hellenic Capital Market Commission
(All amounts in thousands of Euro, unless otherwise stated)

The purpose of the following data is to provide users with general financial information about the financial condition and the results of operations of "Public Power Corporation S.A." and PPC Group. Therefore, we recommend users that, before proceeding to any kind of investing activity or transaction with the Company, to access the company's web site where the financial statements and the auditor's review report, when is required are published.

Web site address: www.dei.gr

Date of approval by the Board of Directors: May 29, 2014

DATA FROM STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
ASSETS	31.03.2014	31.12.2013	31.03.2014	31.12.2013
Tangible assets	12.860.035	12.931.720	11.104.439	11.150.928
Intangible assets, net	39.851	22.174	39.276	21.618
Other non- current assets	133.640	44.328	1.220.187	1.130.935
Materials, spare parts and supplies	737.347	785.325	537.138	588.186
Trade receivables	1.593.033	1.305.579	1.485.197	1.248.364
Other current assets	350.642	303.569	275.186	281.637
Available for sale financial assets	5.071	4.920	5.071	4.920
Restricted cash	160.329	161.693	160.329	161.693
Cash and cash equivalents	466.937	260.278	240.000	185.513
TOTAL ASSETS	**16.346.885**	**15.819.586**	**15.066.823**	**14.773.794**
EQUITY AND LIABILITIES				
Share capital	1.067.200	1.067.200	1.067.200	1.067.200
Share premium	106.679	106.679	106.679	106.679
Other equity items	4.311.193	4.229.694	4.199.101	4.149.170
Equity attributable to shareholders of the parent (a)	5.485.072	5.403.573	5.372.980	5.323.049
Minority interests (b)	0	0	0	0
Total Equity (c)=(a)+(b)	5.485.072	5.403.573	5.372.980	5.323.049
Interest bearing loans and borrowings	3.279.272	3.013.933	3.134.010	2.868.671
Provisions / other non current liabilities	3.433.269	3.404.843	3.003.357	2.992.588
Short term borrowings	1.966.015	1.937.298	1.662.565	1.633.854
Other current liabilities	2.183.257	2.059.939	1.893.911	1.955.632
Total liabilities (d)	10.861.813	10.416.013	9.693.843	9.450.745
TOTAL EQUITY AND LIABILITIES (c) + (d)	**16.346.885**	**15.819.586**	**15.066.823**	**14.773.794**

DATA FROM STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Total equity at beginning of the period (01.01.2014 and 01.01.2013, respectively)	5.403.573	5.682.249	5.323.049	5.702.559
Total comprehensive income / (loss) after tax	81.459	(32.243)	49.930	(57.716)
Other	40	(22)	1	(80)
Equity at the end of the period (31.03.2014 and 31.03.2013, respectively)	**5.485.072**	**5.649.984**	**5.372.980**	**5.644.763**

ADDITIONAL DATA AND INFORMATION

1. The Group's companies which are included in the interim condensed consolidated and separate financial statements, their country, the Group's participating interest (direct and indirect), the method of consolidation, and their unaudited tax years are presented in Notes 5, 6 and 7 of the Interim Condensed Financial Statements.
2. The accounting policies adopted in the preparation of the financial statements are presented in Note 3 of the Interim Condensed Financial Statements and are consistent with those followed in the preparation of the financial statements for the year ended December 31, 2013, except from these which are presented in Note 3.2 of the Interim Condensed Financial Statements.
3. No burdens exist on the Parent's and the Group's fixed assets.
4. Adequate provisions have been established for all litigation.
5. Provisions of the Group and the Parent Company as of March 31, 2014 are as follows:

	Group	Company
a) Provision for litigation and arbitration	(7.692)	(6.150)
b) Tax provisions	0	0
c) Other provisions	155.629	155.615

6. Total payrolls of the Group and the Parent Company number 19.049 and 10.800 as of March 31, 2014 (2013: 19.959 and 11.850 respectively). Further information is presented in Note 1 of the Interim Condensed Financial Statements.
7. Sales and purchases of the Group and the Parent Company for the period ended March 31, 2014 as well as receivables and payables as of March 31, 2014 of the Group and the Parent Company, according to IAS 24 are as follows:

	Group	Company
a) Sales	21.776	230.140
b) Purchases	1.797	740.246
c) Receivables from related parties	212.469	224.191
d) Payables to related parties	2.210	816.577
e) Key management personnel compensations	371	252
f) Receivables from key management personnel compensations	0	0
g) Payables to key management personnel compensations	0	0

8. Capital expenditure of the Parent Company and the Group for the period ended March 31, 2014 amounted to Euro 77,6 million and to Euro 90,1 million respectively.
9. Other Comprehensive income / (loss) after tax which was recognized directly in equity for the period ended March 31, 2014 are as follows:

	Group	Company
Profit / (Loss) from fair value available for sale financial assets	151	151
Actuarial gains/(losses)	0	0
Income tax effect due to change in the tax rate	0	0
Total	151	151

DATA FROM STATEMENT OF COMPREHENSIVE INCOME

	GROUP		COMPANY	
	01.01-31.03.2014	01.01-31.03.2013	01.01-31.03.2014	01.01-31.03.2013
Sales	1.488.861	1.486.836	1.475.254	1.472.695
Gross operating results	311.195	241.257	265.421	200.526
Profit / (Loss) before tax, financing and investing activities	162.103	101.605	116.204	59.545
Profit / (Loss) before tax	109.262	45.060	69.840	9.090
Profit / (Loss) after tax (A)	81.308	49.358	49.779	3.422
Distributed to:				
- Owners of the Parent	81.308	49.358	49.779	3.422
- Minority interests	0	0	0	0
Other comprehensive income / (loss) after tax (B)	151	(81.601)	151	(61.138)
Total comprehensive income / (loss) after tax (A) + (B)	81.459	(32.243)	49.930	(57.716)
- Owners of the Parent	81.459	(32.243)	49.930	(57.716)
- Minority interests	0	0	0	0
Earnings / (Loss) per share, basic and diluted (in Euro)	0,3505	0,2128	0,2146	0,0148
Profit before tax, financing and investing activities and depreciation and amortisation	309.419	254.019	246.917	194.907

DATA FROM STATEMENT OF CASH FLOW

	GROUP		COMPANY	
	01.01-31.03.2014	01.01-31.03.2013	01.01-31.03.2014	01.01-31.03.2013
Cash Flows from Operating Activities				
Profit / (Loss) before tax	109.262	45.060	69.840	9.090
Adjustments:				
Depreciation and amortisation	166.275	171.737	148.388	153.022
Amortisation of customers' contributions and subsidies	(18.958)	(19.323)	(17.675)	(17.660)
Provision for CO_2 emission rights	(18.185)	48.670	(18.185)	48.670
Impairment loss of marketable securities	0	2.248	0	2.248
Fair value (gain) / loss of derivative instruments	(1.176)	(451)	(1.176)	(451)
Share of loss of associates	3	(427)	0	0
Interest income	(16.621)	(10.295)	(16.183)	(9.866)
Sundry provisions	146.881	100.161	148.515	98.634
Unrealised foreign exchange losses (gains) on interest bearing loans and borrowings	894	34	894	10
Unbilled revenue	(93.993)	(3.562)	(93.993)	(3.562)
Retirement of fixed assets and software	1.847	1.796	1.835	1.767
Amortisation of loan origination fees	2.452	1.242	1.998	1.241
Interest expense	59.674	58.059	53.427	51.304
Working capital adjustments:				
(Increase) / Decrease in:				
Accounts receivable, trade and other	(364.172)	(152.890)	(268.930)	(160.881)
Other current assets	(124.362)	(35.422)	(116.654)	9.210
Materials, spare parts and supplies	49.892	48.868	52.976	45.810
Increase / (decrease) in:				
Trade and other payables	16.188	(117.535)	(222.914)	(123.916)
Other non-current liabilities	28.283	(684)	16.290	374
Accrued / other liabilities excluding interest	101.741	158.165	132.447	125.897
Income tax paid	(3.900)	0	0	0
Net Cash from Operating Activities (a)	**42.025**	**295.451**	**(129.100)**	**230.941**
Cash Flows from Investing Activities				
Interest received	12.721	10.295	12.283	9.866
Capital expenditure of fixed assets and software	(90.130)	(223.672)	(77.607)	(159.336)
Proceeds from customers' contributions and subsidies	0	206	0	205
Investments in subsidiaries and associates	(613)	590	(113)	0
Net Cash used in Investing Activities (b)	**(78.022)**	**(212.581)**	**(65.437)**	**(149.265)**
Cash Flows from Financing Activities				
Net change in short-term borrowings	6	(1.297)	0	0
Proceeds from interest bearing loans and borrowings	331.132	0	331.132	0
Principal payments of interest bearing loans and borrowings	(37.976)	(141.033)	(37.976)	(141.033)
Interest paid	(50.506)	(45.887)	(44.132)	(41.538)
Net Cash used in Financing Activities (c)	**242.656**	**(188.217)**	**249.024**	**(182.571)**
Net increase / (decrease) in cash and cash equivalents (a)+(b)+(c)	**206.659**	**(105.347)**	**54.487**	**(100.895)**
Cash and cash equivalents at the beginning of the period	**260.278**	**279.427**	**185.513**	**221.208**
Cash and cash equivalents at the end of the period	**466.937**	**174.080**	**240.000**	**120.313**

10. The progress regarding the terms of electricity supply between PPC S.A. and ALOUMINION S.A., is presented in Note 11 of the Interim Condensed Financial Statements.
11. Information regarding the agreement for the settlement of debts incurred by LARCO's electricity consumption as well as the new contract for the procurement of lignite and the relation between PPC and LARCO, is presented in Note 8 of the Interim Condensed Financial Statements.
12. Information regarding RAE's Decision 285/2013 – «Implementation of the methodology for the allocations of payments due to shortages in the Day Ahead Schedule (DAS)» is presented in Note 11 of the Interim Condensed Financial Statements.
13. Information regarding the Offsets of Photovoltaic Systems Producers in buildings and the corrective settlements of IPTO concerning the Special Account of art. 143 of Law 4001/2011 is presented in Note 11 of the Interim Condensed Financial Statements.
14. Information regarding the corrective settlements of IPTO concerning the Special Account of art 143 of Law 4001/2011 are presented in Note 11 of the Interim Condensed Financial Statements.
15. Information regarding the Plan for the reorganization and the privatization of PPC is presented in Note 2 of the Interim Condensed Financial Statements.

Athens, May 29, 2014

CHAIRMAN & CHIEF EXECUTIVE OFFICER	VICE CHAIRMAN & DEPUTY CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	ACCOUNTING DEPARTMENT DIRECTOR
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