Public Power Corporation S.A.

Financial Results
2015

Athens, March 29, 2016

Agenda

Financial Results

George Angelopoulos, CFO

Priorities & Outlook

Emmanuel Panagiotakis, Chairman and CEO

Agenda

Financial Results

1/1/2015 – 31/12/2015

George Angelopoulos

Chief Financial Officer

Summary Financial Results 2015 / 2014

Key Figures - Group (€ mln.)	2015	2014	Δ	Δ%
Total Revenues	**5,735.7**	**5,863.6**	***(127.9)***	***(2.2)***
Revenues from Energy Sales	5,547.1	5,654.6	*(107.5)*	*(1.9)*
Revenues from Domestic Energy Sales (in € mln)	*5,542.6*	*5,652.8*	*(110.2)*	*(1.9)*
Total Energy Sales (in GWh)	*49,250*	*49,457*	*-207*	*-0.4*
Domestic Energy Sales (in GWh)	*49,177*	*49,434*	*-257*	*-0.5*
Other revenues	188.6	209.0	*(20.4)*	*(9.8)*
Payroll Expense	880.3	914.2	*(33.9)*	*(3.7)*
Liquid Fuel	582.8	767.9	*(185.1)*	*(24.1)*
Special Consumption Tax	*144.4*	*140.1*	*4.3*	*3.1*
Natural Gas	326.5	345.8	*(19.3)*	*(5.6)*
Special Consumption Tax	*54.1*	*49.4*	*4.7*	*9.5*
Expenditure for CO_2 emission rights	251.1	216.9	*34.2*	*15.8*
Energy Purchases	1,274.4	1,469.3	*(194.9)*	*(13.3)*
Variable cost recovery mechanism	*0.0*	*18.8*	*(18.8)*	*(100.0)*
Capacity assurance mechanism	*0.0*	*175.7*	*(175.7)*	*(100.0)*
Differential expense for RES energy purchases	*28.7*	*33.4*	*(4.7)*	*(14.1)*
Special consumption tax on natural gas for IPPs	*28.1*	*9.0*	*19.1*	*212.2*
Special lignite levy	38.8	45.4	*(6.6)*	*(14.5)*
Other Operating Expenses	486.7	520.3	*(33.6)*	*(6.5)*
Provisions	950.4	431.1	*519.3*	*120.5*
EBITDA	**828.4**	**1,022.1**	***(193.7)***	***(19.0)***
EBITDA MARGIN (%)	**14.4%**	**17.4%**		
Depreciation and Amortisation	737.7	606.0	*131.7*	*21.7*
Devaluation of fixed assets	0.0	60.6	*(60.6)*	
Net Financial Expenses	198.4	213.8	*(15.4)*	*(7.2)*
Financial expenses	*266.0*	*278.0*	*(12.0)*	*(4.3)*
Financial income	*67.6*	*64.2*	*3.4*	*5.3*
EBT	**-106.6**	**137.6**	***(244.2)***	***(177.5)***

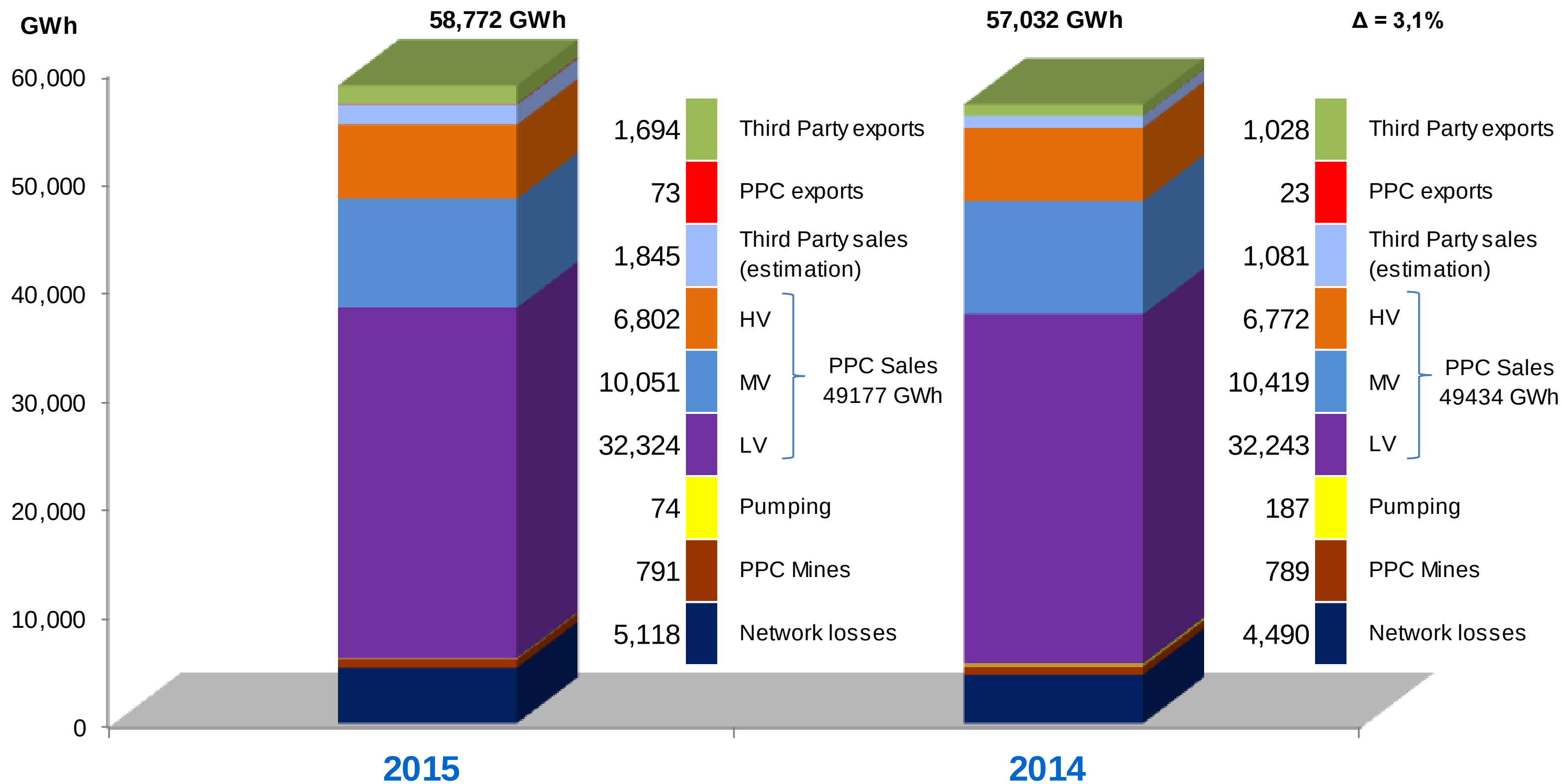
EBITDA in 2015 decreased by € 193.7 m. (or by 19%) compared to 2014, with the respective margin settling at 14.4% compared to 17.4% in 2014. Excluding one-off items, 2015 EBITDA amounts to € 892.4 m and EBIDTA margin stands at 15.5% compared to €1,047.2 m in 2014 (and the respective margin at 17.9%).
Consequently 2015 EBITDA is lower by € 154.8 m than the respective amount in 2014.

Summary Financial Results 4Q2015 / 4Q2014

Key Figures - Group (€ mln.)	4Q2015	4Q2014	Δ	Δ%
Total Revenues	**1,283.7**	**1,440.2**	***(156.5)***	***(10.9)***
Revenues from Energy Sales	1,226.6	1,367.6	*(141.0)*	*(10.3)*
Revenues from Domestic Energy Sales (in € mln)	*1,226.2*	*1,366.3*	*(140.1)*	*(10.3)*
Total Energy Sales (in GWh)	*11,585*	*12,312*	*-727*	*-5.9*
Domestic Energy Sales (in GWh)	*11,571*	*12,296*	*-725*	*-5.9*
Other revenues	57.1	72.6	*(15.5)*	*(21.3)*
Payroll Expense	222.2	232.7	*(10.5)*	*(4.5)*
Liquid Fuel	99.2	150.7	*(51.5)*	*(34.2)*
Special Consumption Tax	*25.8*	*26.8*	*(1.0)*	*(3.7)*
Natural Gas	118.0	72.7	*45.3*	*62.3*
Special Consumption Tax	*21.9*	*9.6*	*12.3*	*128.1*
Expenditure for CO_2 emission rights	67.7	52.1	*15.6*	*29.9*
Energy Purchases	302.7	375.6	*(72.9)*	*(19.4)*
Variable cost recovery mechanism	*0.0*	*2.3*	*(2.3)*	*(100.0)*
Capacity assurance mechanism	*0.0*	*41.3*	*(41.3)*	*(100.0)*
Differential expense for RES energy purchases	*6.4*	*5.2*	*1.2*	*23.1*
Special consumption tax on natural gas for IPPs	*10.6*	*-9.3*	*19.9*	*(214.0)*
Special lignite levy	9.1	10.8	*(1.7)*	*(15.7)*
Other Operating Expenses	115.1	157.4	*(42.3)*	*(26.9)*
Provisions	259.7	127.0	*132.7*	*104.5*
EBITDA	**55.0**	**227.7**	***(172.7)***	***(75.8)***
EBITDA MARGIN (%)	**4.3%**	**15.8%**		
Depreciation and Amortisation	178.7	158.0	*20.7*	*13.1*
Devaluation of fixed assets	0.0	60.6	*(60.6)*	
Net Financial Expenses	46.6	48.2	*(1.6)*	*(3.3)*
Financial expenses	*64.4*	*68.2*	*(3.8)*	*(5.6)*
Financial income	*17.8*	*20.0*	*(2.2)*	*(11.0)*
EBT	**-169.9**	**-41.9**	***(128.0)***	***305.5***

EBITDA in 4Q2015 decreased by € 172.7 m. (or by 75.8%) compared to 4Q2014, with the respective margin settling at 4.3% compared to 15.8% in 4Q2014. Excluding one-off items, 4Q2015 EBITDA amounts to € 119 m and EBITDA margin stands at 9.1%.

Electricity Demand 2015 / 2014



PPC domestic sales :	49,177 GWh
Annual Average Market Share (est.):	96.4%

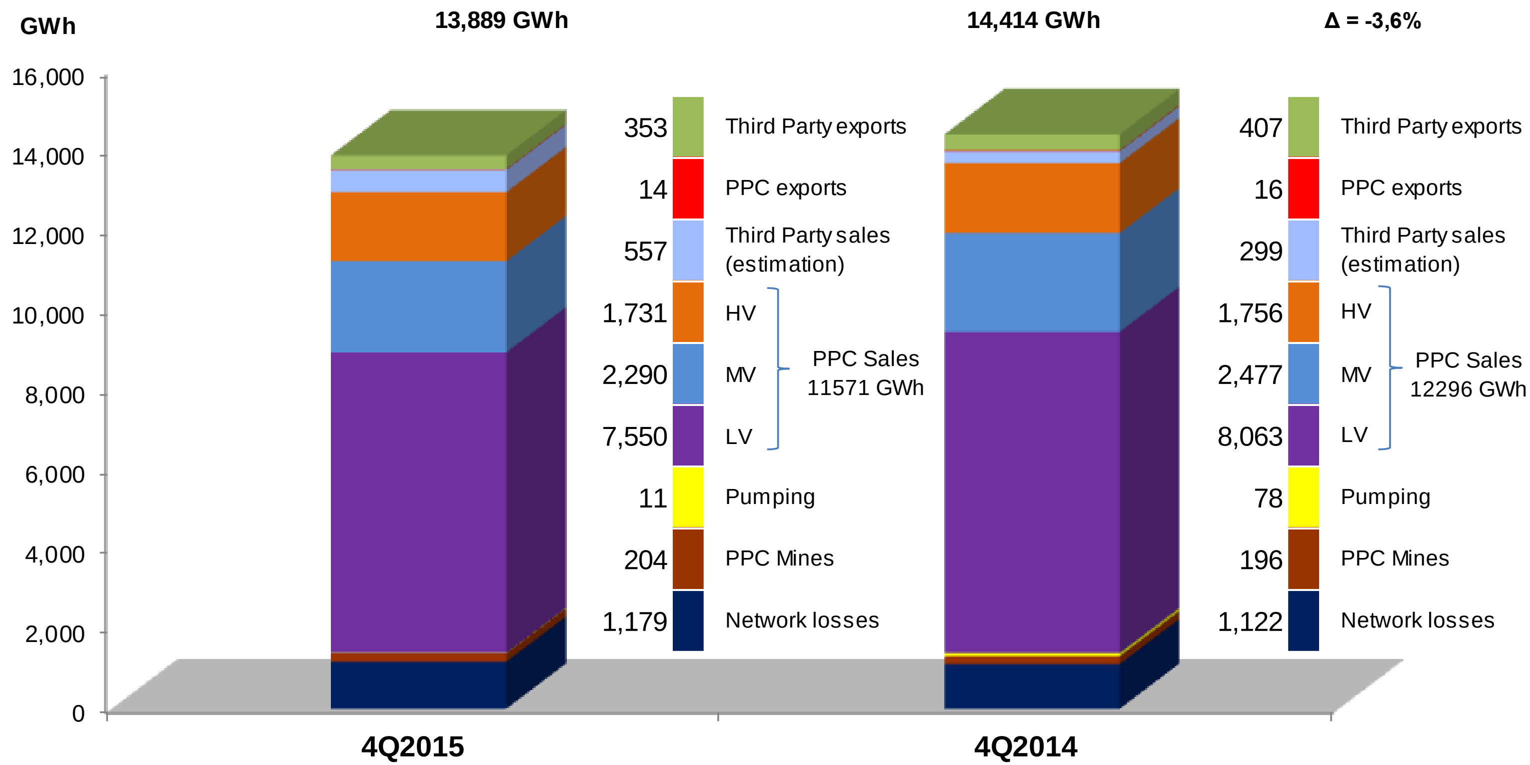
PPC domestic sales :	49,434 GWh
Annual Average Market Share (est.) :	97.9%

PPC exports:	73 GWh
Annual Average Market Share :	4.1%

PPC exports:	23 GWh
Annual Average Market Share :	2.2%

Electricity demand, excluding pumping and exports, increased by 2% (1,137 GWh). However, PPC's domestic sales decreased by 0.5% (257 GWh), as the average market share was reduced by 1.5 percentage points.

Electricity Demand 4Q2015 / 4Q2014



PPC domestic sales :	11,571 GWh
Average Market share (estimation) :	95.4%

PPC domestic sales :	12,296 GWh
Average Market share (estimation) :	97.6%

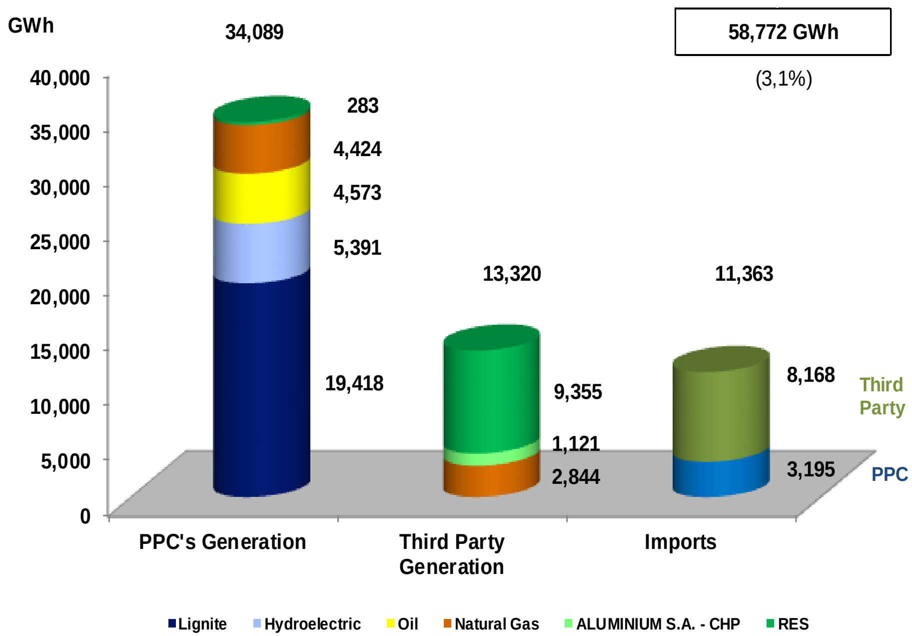
PPC exports:	14 GWh
Average Market share :	3.8%

PPC exports:	16 GWh
Average Market share :	3.8%

In 4Q2015, electricity demand, excluding pumping and exports, decreased by 2.9% (402 GWh) vs 4Q2014. PPC's domestic sales decreased by 5.9% (725 GWh) as the average market share was reduced by 2.2 percentage points. Market share at the end of the year is 94.5%

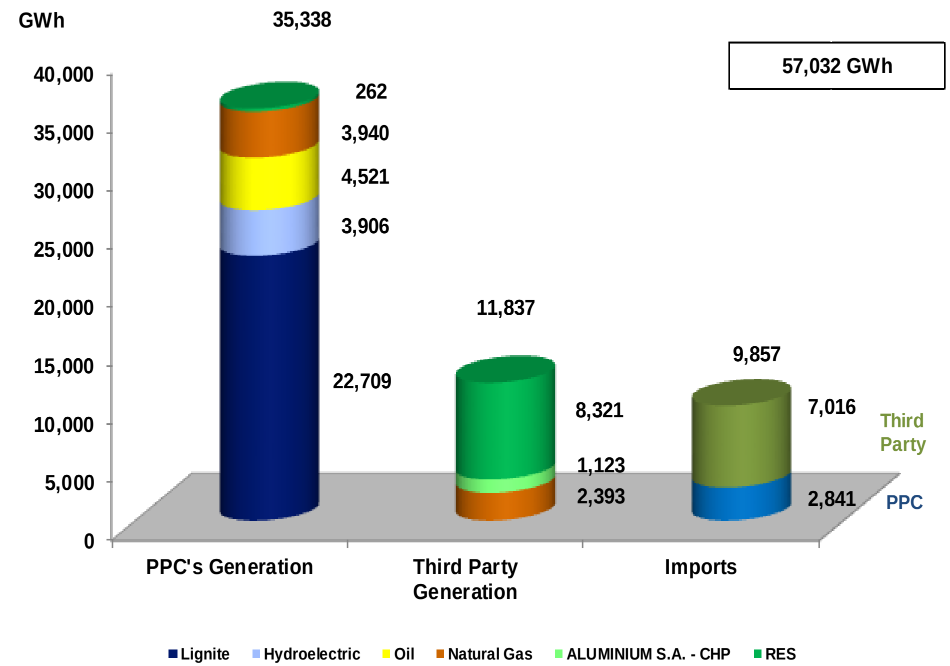
Electricity Generation and Imports 2015 / 2014

2015



PPC generation: 34,089 GWh	PPC imports: 3,195 GWh
Average Annual Market Share: 71.9%	Average Annual Market Share: 28.1%

2014

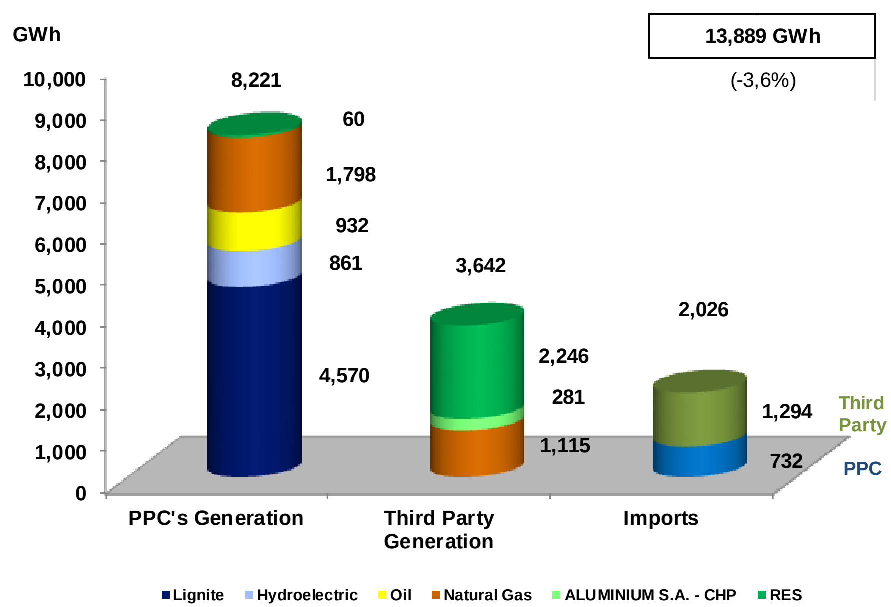


PPC generation: 35,338 GWh	PPC imports: 2,841 GWh
Average Annual Market Share: 74.9%	Average Annual Market Share: 28.8%

In 2015, PPC's electricity generation and imports, covered 63.4% of total demand (61.2% in the Interconnected System) , while the corresponding percentage in 2014 was 66.9% (65% in the Interconnected System).

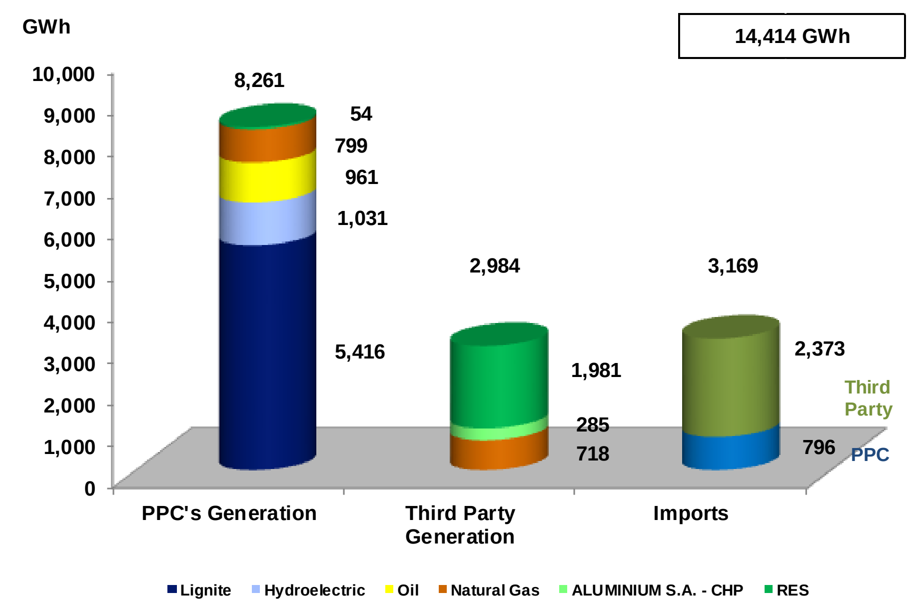
Electricity Generation and Imports 4Q2015 / 4Q2014

4Q2015



PPC generation: 8,221 GWh	PPC imports: 732 GWh
Average Market share: 69.3%	Average Market share: 36.1%

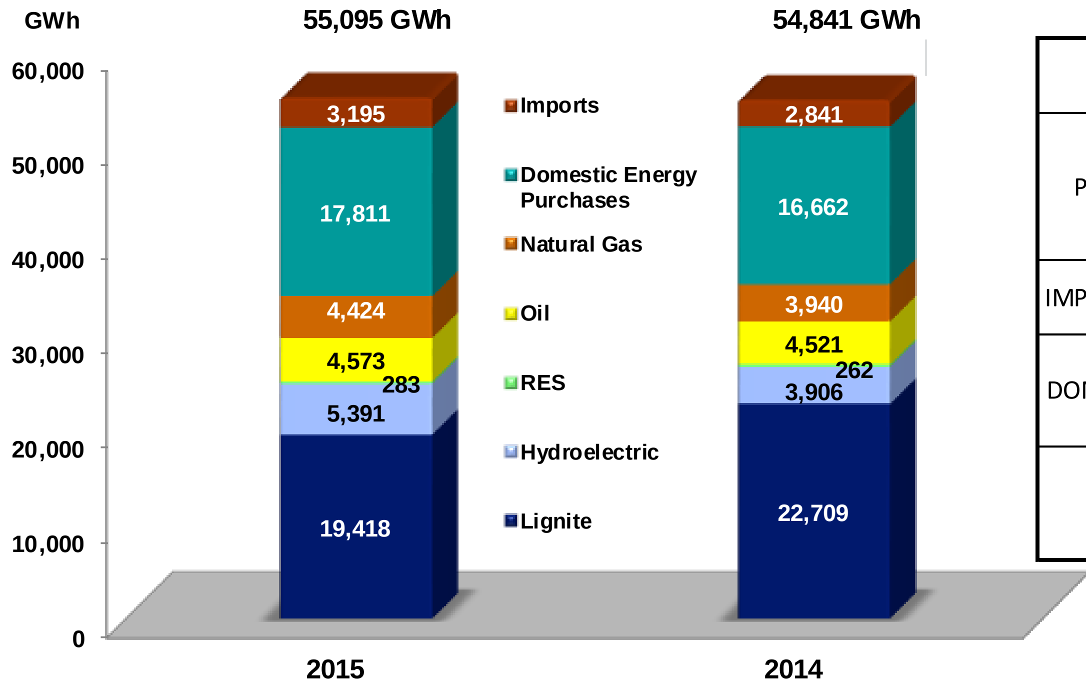
4Q2014



PPC generation: 8,261 GWh	PPC imports: 796 GWh
Average Market share: 73.5%	Average Market share: 25.1%

In 4Q2015, PPC's electricity generation and imports, covered 64.5% of total demand (62.8% in the Interconnected System), while the corresponding percentage in 4Q2014 was 62.8% (60.9% in the Interconnected System).

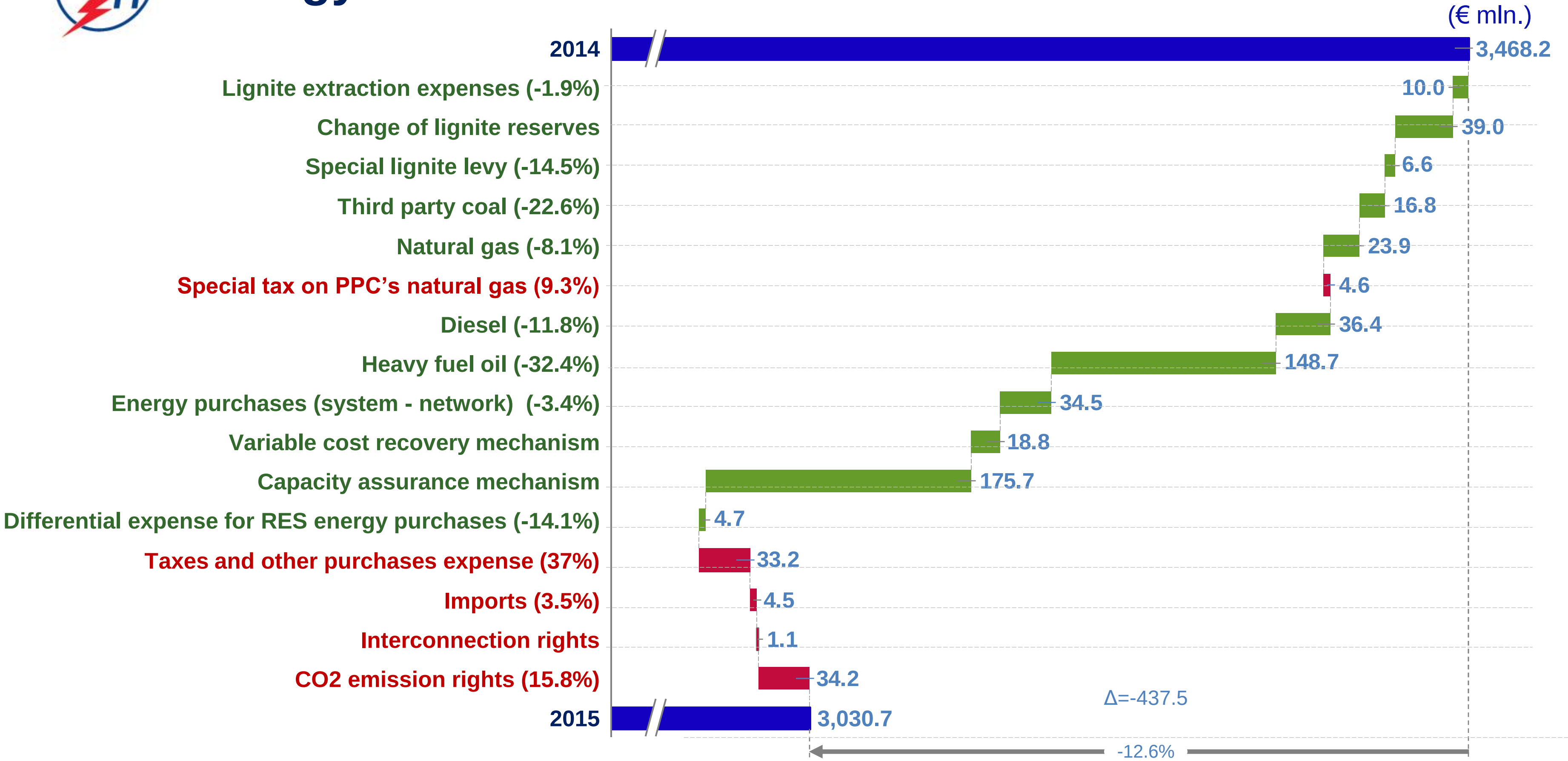
PPC/ Energy Generation and Purchases (GWh) 2015 / 2014



	TOTAL	Δ GWh	Δ %	% Participation	
		254	0.5%	**2015**	**2014**
PURCHASES	Imports	354	12.5%	5.8%	5.2%
	Domestic Energy Purchases	1,149	6.9%	32.3%	30.4%
IMPORTED FUELS	Natural Gas	484	12.3%	8.0%	7.2%
	Oil	52	1.2%	8.3%	8.2%
DOMESTIC FUELS	RES	21	8.0%	0.5%	0.5%
	Hydroelectric	1,485	38.0%	9.8%	7.1%
	Lignite	-3,291	-14.5%	35.2%	41.4%
TOTALS	**PURCHASES**			38.1%	35.6%
	IMPORTED FUELS			16.3%	15.4%
	DOMESTIC FUELS			45.5%	49.0%

In 2015, electricity generation from lignite decreased by 14.5% (3,291 GWh) compared to 2014. In the same period the percentage participation of lignite in PPC's total energy mix, decreased to 35.2% from 41.4% in 2014. Natural gas-fired generation increased by 12.3% settling at 4,424 GWh. Energy purchases (excluding PPC's imports) from the System and the Network increased by 6.9% (1,149 GWh), while hydro generation significantly increased to 5,391 GWh from 3,906 GWh in 2014.

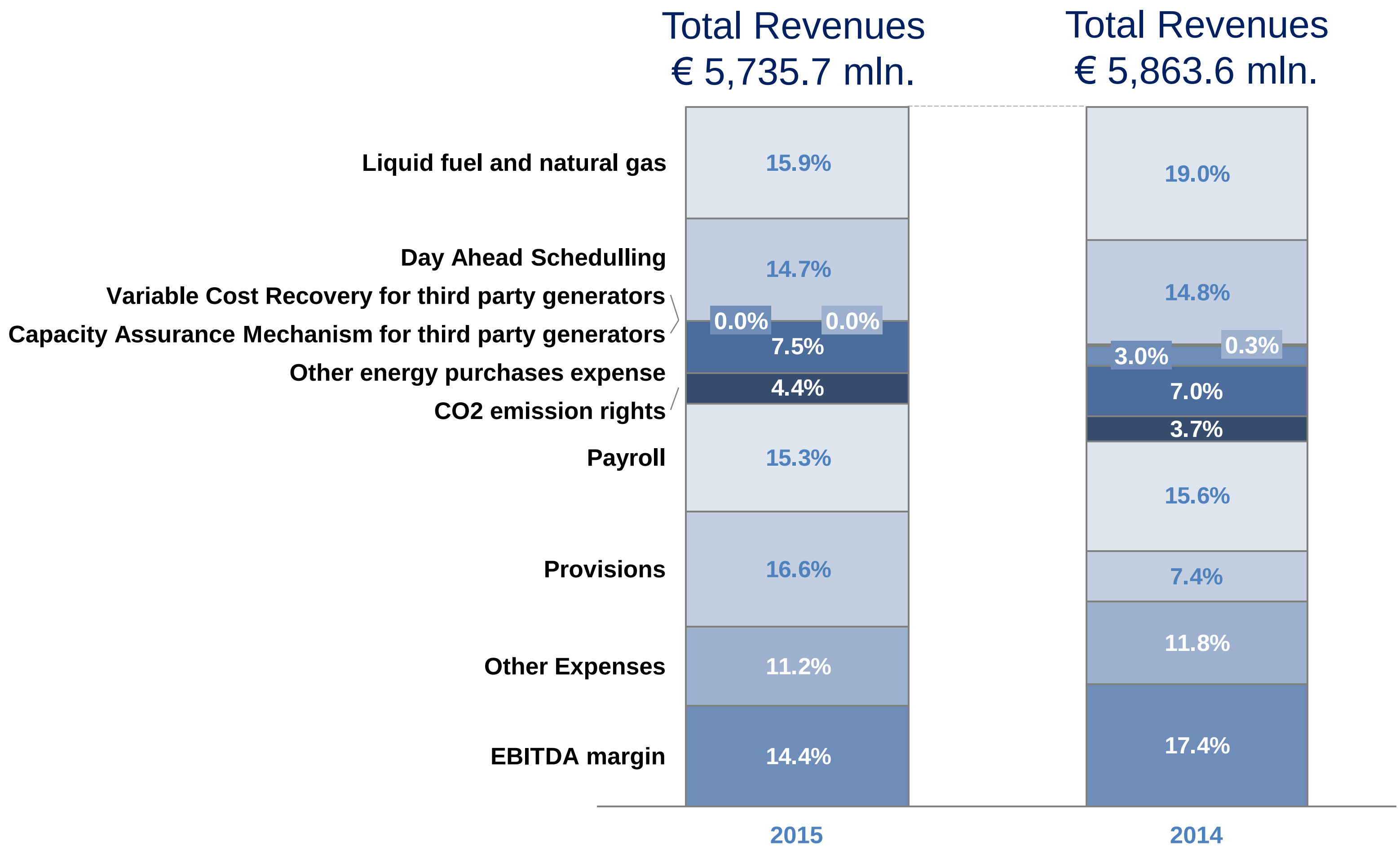
Energy mix cost evolution 2015 / 2014



The overall energy mix cost decreased by € 437.5 m. (12.6%), mainly due to the reduction of the expense for liquid fuel and natural gas (by € 204.4 m) as well as for Capacity Assurance Mechanism and Variable Cost Recovery Mechanism for third party generators (€194.5 m), which was partly offset by the increased expenses for taxes, imports and CO_2 emission rights (73 m in total)

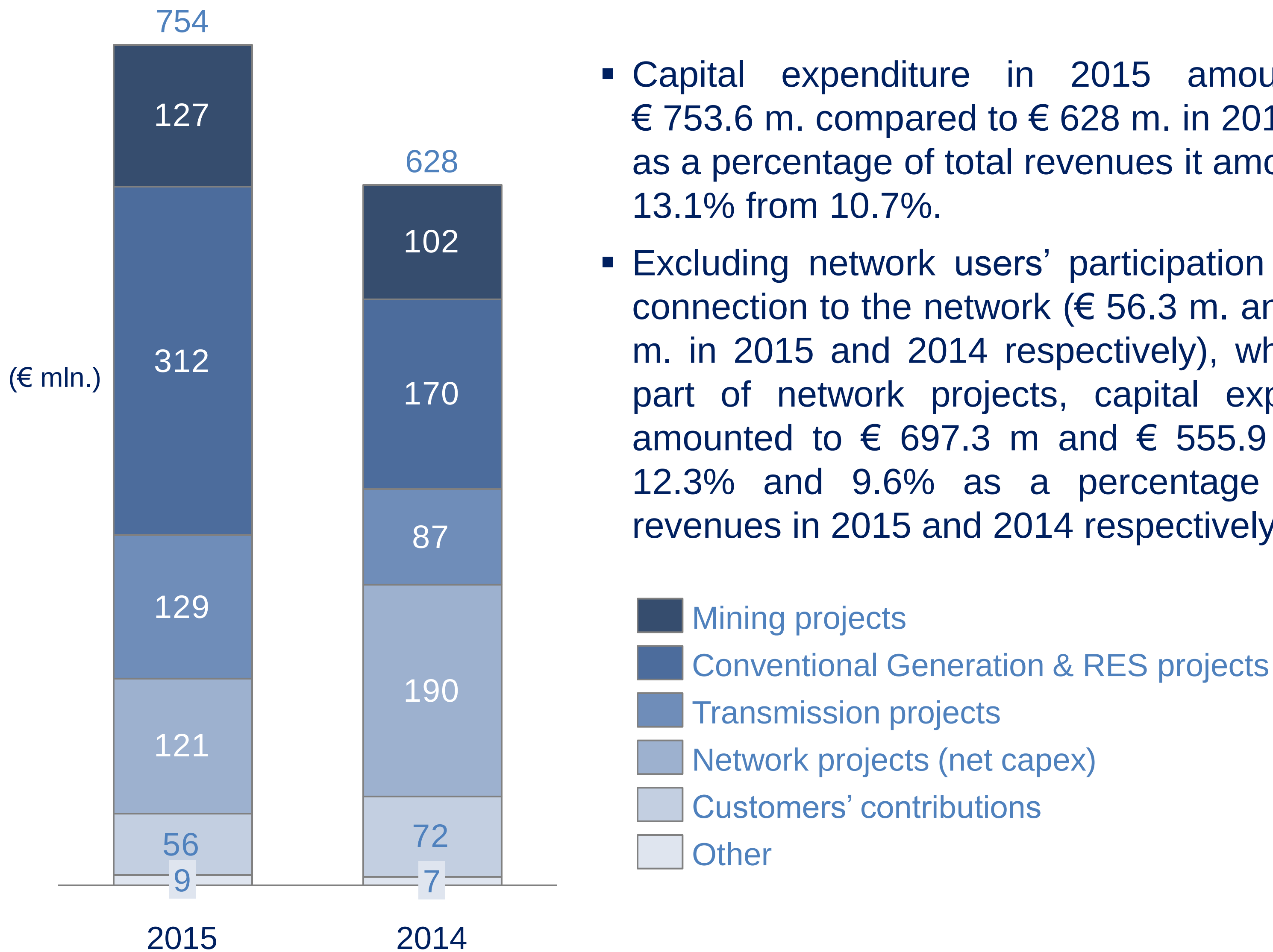
	(Δ)
Price effect:	284.1
Quantity effect:	14.6
Variable cost recovery:	18.8
Capacity assurance mechanism:	175.7
Differential expense for RES energy purchases:	4.7
Special lignite levy:	6.6
Special Consumption Tax on natural gas consumed by PPC:	4.6
Taxes and other energy purchases expense:	33.2
Total:	437.5

Fuel, CO_2, other expenses and EBITDA as percentage of revenues (2015 / 2014)



In 2015, 42.5% of total revenues were expensed for fuel, CO_2 and energy purchases compared to 47.8% in 2014. Regarding the evolution of provisions, these represent 16.6% of total revenues compared to 7.4% last year. The relevant percentage for payroll decreased to 15.3% compared to 15.6% last year.

Capex



- Capital expenditure in 2015 amounted to € 753.6 m. compared to € 628 m. in 2014, while, as a percentage of total revenues it amounted to 13.1% from 10.7%.
- Excluding network users' participation for their connection to the network (€ 56.3 m. and € 72.1 m. in 2015 and 2014 respectively), which fund part of network projects, capital expenditure amounted to € 697.3 m and € 555.9 m or to 12.3% and 9.6% as a percentage of total revenues in 2015 and 2014 respectively.

Debt Evolution - Liquidity

- Net debt amounted to € 4,788.9 m., a reduction of € 203 m. compared to 31.12.2014 (€ 4,991.9 m.).
- Debt repayments in 2015 amounted to € 321.4 m.
- In addition, in 2015, we proceeded with the drawdown of € 115 m.

Comments on Financial Results & Priorities – Outlook

Emmanuel Panagiotakis

Chairman and CEO

Public Power Corporation S.A.

Comments on Financial Results

- The financial results of 2015 have been negatively impacted by the significant increase of bad debt provisions for Low and Medium Voltage customers by € 472 m.
- They were also negatively affected by turnover reduction of € 127.9 m , mainly due to the decrease of revenues from energy sales, as a result of market share loss.
- Thus, despite the significant reduction of energy mix expenses by € 381.9 m, the Group recorded adjusted pre-tax losses of € 42.6 m in 2015. The large increase of depreciation by € 131.7 m, due to the revaluation of fixed assets also contributed to the aforementioned losses.
- On a positive note, capex for the mining and generation activities marked a significant increase by € 167 m or by 61.4% compared to 2014, while at the same time net debt declined by € 203 m.
- In the fourth quarter there is a clear reduction in the rate of increase of bad debt provisions compared to the third quarter, as a result of the increased number of settlements, based on the relevant plan introduced in June 2015 and consistent efforts for improving collection.

Operating Developments - Supply tariffs

Industrial and Commercial customers

- In February 2016, the Board of Directors approved the provision of up to 10% discount on the energy component of the tariff to specific industrial and commercial customers that consistently pay their bills on time and have no overdues, including those customers that have active settlements.

HV customers

- Following the provisions of the latest financing agreement of Greece with its creditors, the EGM held in December 2015 decided the abolition of the 20% discount for energy-intensive users and approved a volume based discount on the energy component.
- The recent ruling of the Court of Appeal of Athens, which rejected the action of PPC against the arbitration decision at RAE and against Aluminium of Greece does not affect in any way issues pertaining to the pricing of Aluminium of Greece or other customers, with electricity cost being the dominant factor.

Overdue receivables / Collection

- Overdue receivables still remain a pressing issue for the Company, as they stood at € 2.3 bln by the end of 2015.

- Since June, we have launched a flexible settlements programme and we continue to make adjustments to the programme, with the view of facilitating our customers to pay their bills so that we improve collection. There is an increase both in the number of customers and the amount under settlement.

- As of end 2015, approximately 15% of total overdues or € 380 mln were under settlement corresponding to approximately 220,000 customers.

- At the same time, since October 2015, we have been implementing a targeted power cuts programme, prioritizing power cuts based on the amount and the ageing in overdue bill, as well as the actual ability of our customers to pay. Specifically, during the last 3 months of 2015, we have proceeded to approximately 50,000 power cuts.

Progress of Ptolemais V project & Unbundling of IPTO

New lignite-fired unit Ptolemais V (660 MW)

- Following the advance payment of approximately € 200 m by PPC to the EPC contractor in September 2015, which has initiated the construction phase, the necessary protocol for the access to the site has been signed on November 2015, for the commencement of the site works.
- PPC has also recently initiated additional actions related to the new lignite-fired unit:
  - an international tender process for the installation of a High Voltage Gas-insulated Switchgear (GIS) (400 kV).
  - a Service Level Agreement (SLA) to be signed with IPTO for the construction of the High Voltage Transmission Lines (400 and 150 kV) connecting the GIS to the grid was recently approved by PPC's Board of Directors.

IPTO

- Based on the financing agreement of Greece with its creditors, IPTO, the electricity transmission company, should be privatized, unless an alternative scheme is provided, with equivalent results.
- Within this context, the Greek Government has proposed to the institutions a plan, based on which, the Hellenic Republic will acquire 51% of IPTO, whereas the 49% stake will be sold to a strategic investor and through the stock market.

2016 Outlook

For 2016, based on assumptions for Brent oil at $38/bbl and €/$ exchange rate of 1.09 and CO_2 emission rights price of € 7/tn, the key financials are estimated to be as follows:

▪ Revenues from energy sales :	€ 5.2 bln.
▪ Total Revenues :	€ 5.5 bln.
▪ EBITDA Margin :	19.5% - 20.5%

It is noted that Group results are impacted, among other, by changes in the macroeconomic environment, fluctuations in €/$ exchange rate, oil, natural gas, electricity prices and the price of CO_2 emission rights, as well as market, legal, regulatory and fiscal framework and bad debt evolution, which could cause deviations from the budgeted figures.

DISCLAIMER

Some of the information contained herein includes forward-looking statements. It is noted that the Group is subject to various risks, which, among other, relate to macroeconomic conditions, €/$ exchange rate, oil, natural gas, electricity prices and the price of CO_2 emission rights, as well as changes in the market, legal, regulatory and fiscal framework and bad debt evolution, that could cause actual results to differ materially from those anticipated in the forward-looking statements.