EXECUTIVE SUMMARY OF THE BOARD OF DIRECTORS OF PUBLIC POWER CORPORATION S.A. (PPC S.A.) ON THE RESULTS OF THE FISCAL YEAR 2005

Dear Shareholders,

We hereby submit the financial statements of the Parent Company and the Group, for the year ended 31.12.2005, as well as our comments on the previously mentioned statements, according to the Company's statutes, for your approval.

The Group's subsidiaries which are consolidated in the Group's financial statements are the following: "PPC Telecommunications S.A.", "PPC Renewables S.A.", "PPC Rhodes S.A" and "PPC Crete S.A.". "PPC Rhodes S.A" and "PPC Crete S.A." have not commenced their operation yet.

Based on L. 2190/1920 article 134, PPC S.A. prepared the financial statements for the year ended 31.12.2005 (fourth fiscal year), in accordance to International Accounting Standards (IAS).

Public Power Corporation, was transformed into a societe anonyme, effected on January 1, 2001 with share capital at December 31, 2005 amounted to Euro 1,067,200,000.00 divided in 232 million common shares of a nominal value of Euro 4.60, each.

Until the enactment of L. 2773/99 for the liberalization of the energy market, PPC was functioning as a wholly state owned utility whose objective was to develop the country's energy resources and to provide low cost electricity to support the development of the Greek economy. In August 2003, Law 3175 was enacted, which partially amended L. 2773/99 and partially incorporated the provisions of Directive 2003/54 EC into Greek Legislation.

Based on L. 3175/03, a generation authorization of a total capacity of 1,600 MW is granted to PPC for the renewal and replacement of older units' capacity. After their replacement, these units remain in cold reserve and their management is conducted in compliance with the Grid Code and is undertaken by the Hellenic Transmission System Operator (HTSO) on the basis of contracts concluded between HTSO and PPC, exclusively for the provision by HTSO of ancillary services and reserve power.

In the context of implementing the provisions of L. 2773/99 and L. 3175/03 the Ministry of Development issued in May 2005, the Grid Control and Power Exchange Code for Electricity.

Finally in December 2005, L. 3426 was enacted, whose main provisions, are the following:

- Competition in power generation and supply will be introduced through the granting of generating and supply licenses to interested entities, with the exception of micro-isolated networks which are part of non-interconnected islands (under the condition that such granting will be approved by the European Union). As far as the above mentioned micro-isolated non-interconnected islands are concerned, with the exception of generation from renewable energy sources, hybrid plants and auto producers, generation and supply licenses are granted exclusively to PPC.

- There will be a tender process by the HTSO for generation capacity contracts and adequate reserve power. Initially the maximum volume of generation capacity contracts is designated for up to a total of 900 MW and relates to capacity commissioned up to 31.12.2010. PPC may only participate for up to 50% of additional tenders, for additional capacity of up to 400 MW, which may be made during that time period. PPC may participate on equal terms in tenders for capacity above 1,300 MW (future tenders) and for units commissioned after 31.12.2010.

- Ownership of the national grid ("transmission system" and "distribution network") remains exclusively with PPC.

- Provides for the operational unbundling of PPC's activities in Transmission, Distribution and Operation for the non-interconnected islands.

- PPC, as owner of the Distribution Network, accepts the applications for connecting to the network, operates, develops and maintains the network according to its planning and the directions of the Distribution System Operator and the Operator of the non-interconnected islands.

- Until July 1st, 2007, an independent entity will be formed through the expansion of the existing Transmission System Operator (HTSO), which will be renamed into Hellenic Transmission and Distribution Systems Operator (HTDSO) and will undertake the operation of the Distribution system as well.

- PPC is appointed as the Operator for the non – interconnected islands. The activities of PPC as an operator for the non – interconnected islands will be functionally unbundled from the rest of its activities.

- All non-household consumers are considered eligible customers and are allowed to conclude supply contracts with energy suppliers on the basis of private agreements, with the exception of the micro isolated islands' consumers. As of July 1, 2007, all consumers will be considered eligible customers with the exception of micro isolated islands' consumers whose supply of energy will be done exclusively by PPC.

- The Minister of Development, by a Decision to be issued within six months from the publication of Law 3426/05, shall define Public Service Obligations, as well as the holders of licenses granted under the provisions of Law 2773/99, who shall be liable to provide them.
  The Minister of Development, by a Decision to be issued following a relevant opinion by RAE within 3 months from the issuance of the Decision mentioned in the previous paragraph, shall define the methodology for the calculation of the compensation due for the provision of public service obligations to the license holders that provide them.

  The amount of the above mentioned compensation due for providing public service obligations will be approved each year, by a Decision of the Minister of Development, after a relevant opinion by RAE and will be paid under the condition that, electricity companies will keep separate accounts depicting at least the compensation granted to them for providing public service obligations, as well as charges they impose to their customers relating to those services.

Turnover Analysis

Revenues of the Parent Company for the year 2005 amounted to Euro 4,290.9 million, approximately, presenting an increase of Euro 195.9 million or 4.8%, compared to 2004.

In particular, revenues from energy sales for 2005 amounted to Euro 3,965.3 million compared to Euro 3,791.5 million in 2004, with an increase of 4.6%. The quantities of energy sold amounted to 50,719 GWH, presenting a decrease of 297 GWH or 0.6% compared to those of 2004.

The Parent Company's income from energy exports amounted to Euro 31.3 million.

As far as tariffs is concerned, the Ministry of Development has approved an average increase at the price of energy of 3.19% since September 1st, 2005 for all tariffs excluding individual tariffs for LARKO and ALUMINIUM .The Parent Company's clients exceeded 7 million.

Following the finalization, in 2005, of the revaluation of PPC's real estate assets PPC's equity was increased by Euro 595.7 million.

Furthermore, the Parent Company proceeded with the revaluation of its machinery, technical works and other equipment, with an effective date of December 31, 2004, carried out by an independent appraiser, in accordance with the International Appraising Standards and the IAS 16.
A net surplus of Euro 1,403.6 million was directly charged in the Equity which was the final result of the above appraisal.

Profit before tax for the Group amounted to Euro 201.6 million, approximately. The corresponding figure for the year ended December 31, 2004 amounted to Euro 502.3 million, approximately. The corresponding figures for the Parent Company amounted to Euro 215.1 million, approximately for the year ended December 31, 2005 and Euro 511.1 million, approximately for the year ended December 31, 2004.

Earnings for the Parent Company have been reduced due to a 39% increase in the expense for liquid fuel and a 28% increase in the expense for natural gas in comparison to 2004. In addition, earnings have been charged for the first time with an expense of Euro 12.6 million concerning purchase of emission rights, namely CO_2, while tariffs increased by only 3.19%.

The first National Allocation Plan (NAP) for the 3-year period 2005-2007 was ratified by the European Commission, according to its decision which has been communicated to the Greek competent authorities in June 2005. A Joint Ministerial Decision by the Ministers of Development and Environment is expected in order to officially finalize the allocation of the emission allowances between the bound plants.
According to the above mentioned National Allocation Plan the Parent Company has been allocated for the period 2005 - 2007 emission allowances of 158,730 ktn CO_2 (52,092 ktn CO_2 for 2005).

The competent authority has recently (January 2006) issued the permits for CO_2 emissions for PPC's twenty-nine (29) bound plants.

Following the above permits, for the year 2005, the amount of the CO_2 emissions, not covered by the allocated emission allowances, amounted to approximately 500 ktn CO_2 (with the assumption, since the relevant Ministerial Decision has not been issued yet, that the allocated emission allowances to the company for 2005, according to the above NAP will remain 52,092 ktn CO_2).

It should be noted that in 2005, the company has bought CO_2 emissions rights of 845,783 tn CO_2 . Any eventual surplus of the CO_2 emissions rights for 2005 can be transferred to the years 2006 and 2007.

It should also be noted that, PPC´s active debt management through the substitution of more cost expensive existing financings from new borrowings with more favorable terms combined with the use of flexible financial tools, resulted in the decrease in financial expenses by Euro 11.1 million (6.7%) compared to 2004, from Euro 165.8 million in 2004 to Euro 154,7 million in 2005 , despite the increase in the level of debt from Euro 3,692 in 2004 to Euro 3,833 in 2005 and the beginning of the gradual increase of floating interest rates in Eurozone.

In 2005, the shareholders of the Parent Company received dividends that amounted to Euro 208.8 million (Euro 0.90 per share).

For the fiscal year 2005, the Board of Directors in the General Meeting will ask for the approval of dividend payment Euro 0.50 per share, that amounted to Euro 116 million.

Debt Evolution

The same reasons which reversed PPC´s profitability resulted to the increase of the Parent Company's debt by Euro 141 million (3.8%) compared to 2004, from Euro 3,692 million to Euro 3,833 million in 2005.

Accordingly, net debt (total debt minus cash & cash equivalents minus marketable securities) increased from Euro 3,635 million at 31.12.2004 to Euro 3,755 million at 31.12.2005.

Consequently, net debt/equity ratio improved and reached 0.72 compared to 0.86 in 2004.

The company in order to achieve low cost financing through the use of new financial instruments continued its activity in the bond market under the provisions of Law 3156/2003 by issuing 4 bonds with a total amount of Euro 325 million.

It should be noted that in 2005 the Company, for the first time, concluded a loan of an amount of Euro 260 million with the European Investment Bank without the provision of any guarantee.

Finally, the Company entered into 4 interest rate swaps, from floating to fixed interest rate, totaling Euro 250 million. Such swaps are part of the Company's general policy for managing debt, the stabilization of its financing cost and the protection against the risk of further increases in the interest rates.

Capital Expenditure Rationalisation

The Parent Company has continued the effort for rationalisation of its capital expenditure by proceeding, initially, with those investments included in its strategic planning and development, aiming at ameliorating the exploitation of the available resources.

Furthermore, the Company has continued the program of restructuring and reducing the elastic operating costs, by exploiting all the potentials in order to meet its goal for efficiency improvement.

The total capital expenditures of the year amounted to Euro 739 million and are distributed in Euro 99 million to Mines Sector, Euro 262 million to Production sector, Euro 77 million to Transmission Sector, Euro 293 million to Distribution Sector and Euro 8 million to activities of the in Headquarters Departments.

Within 2005, the mine in Mavropigi started its full operations, the total cost of which amounted to Euro 105.8 million, the works in the distribution centre of Koridallos were completed and the gas-turbine IV in Rhodes, 27.95 MW of total capacity and of a cost which amounted to Euro 19.3 million. The new Unit of the Combined Cycle "Lavrio V", 385.25 MW of total capacity, is in the final phase of its construction and is expected to enter in commercial operation within the first trimester of 2006. The total amount invested for this unit within 2005, is Euro 103.2 million**.**

The project of the hydroelectric station at Ilariona continues to be under construction and the total expenditures for 2005 amounted to Euro 36.3 million. Also, the installation of new electrostatic precipitators and the upgrading of the existing ones in Units I –IV of the power plant at Agios Dimitrios, with total expenditures in 2005 amounted to Euro 49.7 mil. are in process.

At the same time, the Parent Company has continued the projects of upgrading and expansion of the existing Networks, Lines and H/V Transmission, equipment of Mines and the Environmental Protection.

The Subsidies that the Company obtained for 2005 from the European Union or the Greek State, through the investment budget of the Hellenic Republic, amounted to Euro 14.2 million, out of which the amount of Euro 13.5 million was obtained through the 3rd EU Investment Program in order to fund the project of the Submarine Cable Killini - Zakynthos.

Significant events for the year 2005

- In 2005, all necessary preliminary works and studies for the new combined fuel unit to Aliveri, of a total capacity 360MW – 400 MW, were continued and which will be on commercial operation in the summer of 2009.

- In June 2005, Moody's Investment Service, upgrade by two notches the creditworthiness of PPC, from Baa1 to A2.

- At the beginning of 2005, PPC's participation in the tender process for the privatization for power plants of Varna and Bobov Dol, in Bulgaria, was decided.

  On the 27th April, 2005 the Bulgarian Privatization Agency announced that the Company submitted the highest offer for the Bobov Dol power plant. The Company's offer for the Bobov Dol power plant, amounted to Euro 70.9 million and announced that it will proceed to a capital increase of 34.4 million in the event it acquires the plant.

  The Bulgarian Privatization Agency cancelled the tender for Bobov Dol, on the grounds that the offered prices were not satisfactory and not in line with the targets of the tender. PPC appealed the decision at the Supreme Administrative Court of Bulgaria. The first trial took place on November 8, 2005, where PPC asked for additional documentation to be submitted from the Privatization Agency. The court accepted PPC's request appointed a new trial date on February 14, 2006. The Supreme Administrative Court overturned on Tuesday, March 14, 2006, the decision by the Privatization Agency to cancel the public tender for the sale of 100 percent of the Bobov Dol power plant, for which PPC has tendered the highest bid.

- As far as, the use of PPC's real estate property, which amounts to Euro 1.6 billion, is concerned, the full and systematic recording for the efficient use of PPC's real estate property, has been assigned to a group of advisors. Between others, there will be a study dealing with the problems resulting from the fragmentation of administrative and other divisions of the Company, with their relocation in new building areas, in order to achieve efficiency and reduction of rent payments.

- The Board of Directors by its decision 171/02.08.2005 approved the closed competition of bids for hiring an acclaimed Company / Insurance Advisor for Third Party Insurance of the members of Board of Directors, of Management Council, Directors and Officers liability.
  On 22nd of February 2006, the contract was placed to the EUROBROKERS Company.

- The Management Council has approved the competition of bids for hiring an Advisor in order to examine the feasibility report for managing the risk that PPC is facing from its commercial, and industrial activities in the energy sector.

  After the international competition, the project was given to the MARSH Company, which had already submitted the study report into 2005. The submission of the proposal of PPC´s insurance coverage will follow the presentation of the study's conclusions to the Company's Directors.

- In December 2005, PPC's Board of Directors approved the payment of Euro 3.4 million for the participation in PPC Renewables S.A. share capital's increase. The above mentioned amount will be used for the construction of the Small Hydroelectric Stations of Gitanis and Vorino, as well as the repayment of PPC Renewables' accumulated debt to PPC. The amount of Euro 1.7 million, will be paid directly, while the rest will be paid in 2006.

Athens, March 28, 2006

The Board of Directors